

POLICY NUMBER: FTMS1037L0

IL 09 85 01 15

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN
RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK
INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR
CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

SCHEDULE – PART I	
Terrorism Premium (Certified Acts)	\$3,750
This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):	
PROPERTY	
Additional information, if any, concerning the terrorism premium:	
SCHEDULE – PART II	
Federal share of terrorism losses	<u>80%</u> Year: <u>20</u>
(Refer to Paragraph B. in this endorsement.)	
Federal share of terrorism losses	<u>80%</u> Year: <u>21</u>
(Refer to Paragraph B. in this endorsement.)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

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B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.



**SOMPO
INTERNATIONAL**

**Policy Number
FTMS1037L0**

INSTALLMENT PAYMENT SCHEDULE

Sompo America Insurance Company

Named Insured WEWORK INC.

Effective Date: 11-01-20
12:01 A.M., Standard Time

Agent Name RAMPART BROKERAGE CORP

Agent No. E8336

**IT IS HEREBY AGREED AND UNDERSTOOD THAT THIS POLICY IS
PAYABLE ON INSTALLMENTS AS FOLLOWS:**

DUE	PREMIUM	TAXES AND SURCHARGES	INSTALLMENT TOTAL
DEPOSIT 11/01/2020	\$ 1,608,305.00	\$ 4,926.00	\$1,613,231.00
INSTALL 05/01/2021	\$ 1,608,304.00		\$1,608,304.00

Failure to pay the Installment Premium by the Date Due shown shall constitute non-payment of premium for which will be handled according to the Cancellation provisions stated in this policy.

SIL EXT 010 07 13

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**SOMPO
INTERNATIONAL**

Policy Number
FTMS1037L0
Renewal of Number

FTMS1037L0

COMMON POLICY DECLARATIONS

Sompo America Insurance Company

Home Office: 777 Third Avenue 24th Floor, New York, NY 10017-1307
Phone (212) 416-1200

Item 1. Named Insured and Mailing Address

WEWORK INC.
115 WEST 18TH STREET
4TH FLOOR
NEW YORK NY 10011

Producer Name and Address

RAMPART BROKERAGE CORP
1983 MARCUS AVE.
SUITE C130
LAKE SUCCESS, NY 11042

Producer No. E8336

Item 2. Policy Period

From: 11-01-2020 To: 11-01-2021

At 12:01 A.M., Standard Time at your mailing address shown above.

Item 3. Business Description: REAL ESTATE

Form of Business: CORPORATION

Item 4. In return for the payment of the premium, and subject to all the terms of this policy, we agreed with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

Coverage Part(s)	Premium
Commercial Property Coverage Part	\$ 3,216,609.00
Equipment Breakdown Coverage	INCLUDED
Commercial General Liability Coverage Part	NOT COVERED
Commercial Crime and Fidelity Coverage Part	NOT COVERED
Commercial Inland Marine Coverage Part	NOT COVERED
Taxes and/or Surcharges	\$ 4,926.00
Total Policy Premium	\$ 3,221,535.00

Item 5. See Schedule of Forms and Endorsements.

Additional Form(s) and Endorsement(s) made a part of this policy at time of issue:

Countersigned:

By:

Authorized Representative

Date: 04-07-21

Branch Office: Sompo International
11405 North Community House Road
Suite 500
Charlotte, NC 28277

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THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION OF FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

**SCHEDULE OF LOCATIONS**

Sompo America Insurance Company

Named Insured WEWORK INC.

Effective Date: 11-01-2020
12:01 A.M., Standard Time

Agent Name: RAMPART BROKERAGE CORP

Agent No. E8336

This Schedule forms a part of Policy Number: FTMS1037L0

Location Number	Bldg. Number	Location Address (Street, City, State, Zip)	Occupancy
		AS PER SCHEDULE ON FILE WITH THE COMPANY	
<input checked="" type="checkbox"/> Refer to Limit of Liability Schedule if specific limits apply.			



**SOMPO
INTERNATIONAL**

Policy Number

FTMS1037L0**SCHEDULES OF TAXES, SURCHARGES OR FEES**

Sompo America Insurance Company

Named Insured WEWORK INC.

Effective Date: 11-01-2020
12:01 A.M., Standard Time

Agent Name RAMPART BROKERAGE CORP

Agent No. E8336

SHPR DEC 001 (cont.)

TAXES/SURCHARGES DETAILED BREAKDOWN :

FL-COMMERCIAL PROPERTY SURCHARGE	\$	77.00
FL-INSURANCE PREMIUM SURCHARGE	\$	4.00
MN - FIREMAN'S RELIEF ASSOCIATION SURCHG	\$	135.43
NJ-PLIGA SURCHARGE	\$	28.25
NYFIF	\$	4,681.32
TOTAL TAXES/SURCHARGES	\$	4,926.00

SHPR DS 006 (12/2011)

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INTERNATIONAL**

Policy Number
FTMS1037L0

SCHEDULE OF FORMS AND ENDORSEMENTS

Sompo America Insurance Company

Named Insured WEWORK INC.

Effective Date: 11-01-2020
12:01 A.M., Standard Time

Agent Name RAMPART BROKERAGE CORP

Agent No. E8336

The following forms are attached to and form a part of Policy number: FTMS1037L0

Form Number	Edition	Description of Form
COMMON POLICY FORMS AND ENDORSEMENTS		
IL 09 85	01-15	DISCLOSURE PURSUANT/TERROR RISK INS ACT
SIL EXT 010	07-13	INSTALLMENT PAYMENT SCHEDULE
SHPR DEC 001	01-14	HPR POLICY DECLARATIONS
SHPR DS 001	12-11	SCHEDULE OF LOCATIONS
SHPR DS 006	12-11	SCHEDULE OF TAXES, SURCHARGES OR FEES
SHPR DS 004	12-11	SCHEDULE OF FORMS AND ENDORSEMENTS
IL 09 52	01-15	CAP/LOSSES FROM CERTIFIED ACTS OF TERROR
SIL 01 053	09-11	POLICY SIGNATURE PAGE
HIGHLY PROTECTED RISK FORMS AND ENDORSEMENTS		
SHPR 01 113	01-15	ENABLING ENDORSEMENT
SHPR 02 013	12-11	STANDARD FIRE POLICY PROVISIONS
SHPR 01 066	12-14	NEW YORK CHANGES -CANCEL AND NONRENEWAL
SHPR 01 067	05-18	NEW YORK CHANGES
SHPR 01 068	01-11	NEW YORK-EXCL LOSS DUE TO VIRUS/BACTERIA
SHPR 01 106	05-19	NEW YORK CHGS-FUNGUS/WET ROT AND DRY ROT
SHPR 02 094	06-18	AMENDATORY ENDORSEMENT
SHPR 02 098	09-18	NEW YORK AMENDATORY ENDORSEMENT
ECP 0665	11-17	CONTROLLED MASTER PROGRAM EXTENSION
SOMPO-END	11-20	POLICY ENDORSEMENTS
SOMPO-POL	11-20	COMMERCIAL PROPERTY POLICY

SHPR DS 004 (12/2011)

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IL 09 52 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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SOMPO
INTERNATIONAL

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

A handwritten signature in black ink, appearing to read "John Doe".

Secretary

A handwritten signature in black ink, appearing to read "Jane Smith".

President

SIL 01 053 0911

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This Endorsement Changes the Policy. Please Read It Carefully.

ENABLING ENDORSEMENT

This endorsement modifies coverage provided under the following:

COMPREHENSIVE ALL RISK FORM

The provisions of any forms or endorsements that make reference to the COMMERCIAL PROPERTY COVERAGE PART, BUILDING AND PERSONAL PROPERTY COVERAGE FORM or the CAUSES OF LOSS SPECIAL FORM are applicable to the COMPREHENSIVE ALL RISK FORM.

This endorsement forms a part of
Policy Number: FTMS1037L0
Insured: WEWORK INC.

SHPR 01 113 (0115)

Effective Date: 11-01-2020

1-08651

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This Endorsement Changes the Policy. Please Read It Carefully.

STANDARD FIRE POLICY PROVISIONS

This endorsement modifies insurance provided under the following:

COMPREHENSIVE ALL RISK FORM

The provisions of the Standard Fire Policy are stated below. State law requires that they be attached to all policies. If any conditions of this form are construed to be more liberal than any other policy conditions relating to the perils of fire, lightning or removal, the conditions of this form will apply.

IN CONSIDERATION OF THE PROVISIONS AND STIPULATIONS HEREIN OR ADDED HERETO, AND OF THE PREMIUM SPECIFIED in the Declarations or in endorsements made a part hereof, this Company, for the term of years specified in the Declarations from *inception date shown in the Declarations* At Noon (Standard Time) to *expiration date shown in the Declarations* At Noon (Standard Time) at location of property involved, to an amount not exceeding the limit of liability specified in the Declarations, does insure *the Insured named in the Declarations* and legal representatives, to the extent of the actual cash value of the property at the time of loss, but not exceeding the amount which it would cost to repair or replace the property with material of like kind and quality within a reasonable time after such loss, without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair, and without compensation for loss resulting from interruption of business or manufacture, nor in any event for more than the interest of the insured, against all DIRECT LOSS BY FIRE, LIGHTNING AND OTHER PERILS INSURED AGAINST IN THIS POLICY INCLUDING REMOVAL FROM PREMISES ENDANGERED BY THE PERILS INSURED AGAINST IN THIS POLICY, EXCEPT AS HEREINAFTER PROVIDED, to the property described in the Declarations while located or contained as described in this policy, or pro rata for five days at each proper place to which any of the property shall necessarily be removed for preservation from the perils insured against in this policy, but not elsewhere.

Assignment of this policy shall not be valid except with the written consent of this Company.

This policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereby made a part of this policy, together with such other provisions, stipulations and agreements as may be added hereto, as provided in this policy.

1	Concealment,	This entire policy shall be void if, whether before or after a loss, the insured has wilfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the insured therein, or in case of any fraud or false swearing by the insured relating thereto.
2	fraud.	
3		
4		
5		
6		
7	Uninsurable	This policy shall not cover accounts, bills, currency, deeds, evidences of debt, money or securities; nor, unless specifically named hereon in writing, bullion or manuscripts.
8	and	
9	excepted property.	
10		
11	Perils not included.	This Company shall not be liable for loss by fire or other perils insured against in this policy caused, directly or indirectly, by: (a)
12		
13		

14 enemy attack by armed forces, including action taken by mili-
15 tary, naval or air forces in resisting an actual or an immediately
16 impending enemy attack; (b) invasion; (c) insurrection; (d)
17 rebellion; (e) revolution; (f) civil war; (g) usurped power; (h)
18 order of any civil authority except acts of destruction at the time
19 of and for the purpose of preventing the spread of fire, provided
20 that such fire did not originate from any of the perils excluded
21 by this policy; (i) neglect of the insured to use all reasonable
22 means to save and preserve the property at and after a loss, or
23 when the property is endangered by fire in neighboring prem-
24 ises; (j) nor shall this Company be liable for loss by theft.

25 **Other Insurance.** Other insurance may be prohibited or the
26 amount of insurance may be limited by en-
27 dorsement attached hereto.

28 **Conditions suspending or restricting insurance. Unless other-**
29 **wise provided in writing added hereto this Company shall not**
30 **be liable for loss occurring**

31 (a) while the hazard is increased by any means within the con-
32 trol or knowledge of the insured; or
33 (b) while a described building, whether intended for occupancy
34 by owner or tenant, is vacant or unoccupied beyond a period of
35 sixty consecutive days; or
36 (c) as a result of explosion or riot, unless fire ensue, and in
37 that event for loss by fire only.

38 **Other perils or subjects.** Any other peril to be insured against or sub-
39 ject of insurance to be covered in this policy
40 shall be by endorsement in writing hereon or
41 added hereto.

42 **Added provisions.** The extent of the application of insurance
43 under this policy and of the contribution to
44 be made by this Company in case of loss, and any other pro-
45 vision or agreement not inconsistent with the provisions of this
46 policy, may be provided for in writing added hereto, but no pro-
47 vision may be waived except such as by the terms of this policy
48 is subject to change.

49 **Waiver provisions.** No permission affecting this insurance shall
50 exist, or waiver of any provision be valid,
51 unless granted herein or expressed in writing
52 added hereto. No provision, stipulation or forfeiture shall be
53 held to be waived by any requirement or proceeding on the part
54 of this Company relating to appraisal or to any examination
55 provided for herein.

56 **Cancellation of policy.** This policy shall be cancelled at any time
57 at the request of the insured, in which case
58 this Company shall, upon demand and sur-
59 render of this policy, refund the excess of paid premium above
60 the customary short rates for the expired time. This pol-
61 icy may be cancelled at any time by this Company by giving
62 to the insured a five days' written notice of cancellation with
63 or without tender of the excess of paid premium above the pro-
64 rata premium for the expired time, which excess, if not ten-
65 dered, shall be refunded on demand. Notice of cancellation shall
66 state that excess premium (if not tendered) will be re-
67 funded on demand.

**68 Mortgagee
69 interests and
70 obligations.** If loss hereunder is made payable, in whole
71 or in part, to a designated mortgagee not
72 named herein as the insured, such interest in
73 this policy may be cancelled by giving to such
mortgagee a ten days' written notice of can-
cellation.

74 If the insured fails to render proof of loss such mortgagee, upon
75 notice, shall render proof of loss in the form herein specified
76 within sixty (60) days thereafter and shall be subject to the pro-
77 visions hereof relating to appraisal and time of payment and of
78 bringing suit. If this Company shall claim that no liability ex-
79 isted as to the mortgagor or owner, it shall, to the extent of pay-
80 ment of loss to the mortgagee, be subrogated to all the mort-
81 gagee's rights of recovery, but without impairing mortgagee's
82 right to sue; or it may pay off the mortgage debt and require
83 an assignment thereof and of the mortgage. Other provisions
84 relating to the interests and obligations of such mortgagee may
85 be added hereto by agreement in writing.

86 Pro rata liability. This Company shall not be liable for a greater
87 proportion of any loss than the amount
88 hereby insured shall bear to the whole insurance covering the
89 property against the peril involved, whether collectible or not.

Requirements in case loss occurs. The insured shall give immediate written notice to this Company of any loss, protect the property from further damage, forthwith separate the damaged and undamaged personal property, put it in the best possible order, furnish a complete inventory of the destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value and amount of loss claimed; **and within sixty days after the loss, unless such time is extended in writing by this Company, the insured shall render to this Company a proof of loss**, signed and sworn to by the insured, stating the knowledge and belief of the insured as to the following: the time and origin of the loss, the interest of the insured and of all others in the property, the actual cash value of each item thereof and the amount of loss thereto, all encumbrances thereon, all other contracts of insurance, whether valid or not, covering any of said property, any changes in the title, use, occupation, location, possession or exposures of said property since the issuing of this policy, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss and whether or not it then stood on leased ground, and shall furnish a copy of all the descriptions and schedules in all policies and, if required, verified plans and specifications of any building, fixtures or machinery destroyed or damaged. The insured, as often as may be reasonably required, shall exhibit to any person designated by the Company all that remains of any property herein described, and submit to examinations under oath by any person named by this Company, and subscribe the same; and, as often as may be reasonably required, shall produce for examination all books of accounts, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by this Company or its representative, and shall permit extracts and copies thereof to be made.

123 **Appraisal.** In case the insured and this Company shall
 124 fail to agree as to the actual cash value or
 125 the amount of loss, then, on the written demand of either, each
 126 shall select a competent and disinterested appraiser and notify
 127 the other of the appraiser selected within twenty days of such
 128 demand. The appraisers shall first select a competent and dis-
 129 interested umpire; and failing for fifteen days to agree upon
 130 such umpire, then, on request of the insured or this Company,
 131 such umpire shall be selected by a judge of a court of record in
 132 the state in which the property covered is located. The ap-
 133 praisers shall then appraise the loss, stating separately actual
 134 cash value and loss to each item; and, failing to agree, shall
 135 submit their differences, only, to the umpire. An award in writ-
 136 ing, so itemized, of any two when filed with this Company shall
 137 determine the amount of actual cash value and loss. Each
 138 appraiser shall be paid by the party selecting him and the ex-
 139 penses of appraisal and umpire shall be paid by the parties
 140 equally.
 141 **Company's** It shall be optional with this Company to
 142 **options.** take all, or any part, of the property at the
 143 agreed or appraised value, and also to re-
 144 pair, rebuild or replace the property destroyed or damaged with
 145 other of like kind and quality within a reasonable time, on giv-
 146 ing notice of its intention so to do within thirty days after the
 147 receipt of the proof of loss herein required.
 148 **Abandonment.** There can be no abandonment to this Com-
 149 **pany of any property.**
 150 **When loss** The amount of a loss for which this Company
 151 **payable.** may be liable shall be payable sixty days
 152 after proof of loss, as herein provided, is
 153 received by this Company and ascertainment of the loss is made
 154 either by agreement between the insured and this Company ex-
 155 pressed in writing or by the filing with this Company of an
 156 award as herein provided.
 157 **Suit.** No suit or action on this policy for the recov-
 158 **ery of any claim** shall be sustainable in any
 159 court of law or equity unless all the requirements of this policy
 160 shall have been complied with, and unless commenced within
 161 twelve months next after inception of the loss.
 162 **Subrogation.** This Company may require from the insured
 163 an assignment of all right of recovery against
 164 any party for loss to the extent that payment therefore is made
 165 by this Company.

This Endorsement Changes the Policy. Please Read It Carefully.

NEW YORK CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies coverage provided under the following:

COMPREHENSIVE ALL RISK FORM

- I. Paragraphs **A., B., C., D., E., and F.**, of the **Cancellation and Non-Renewal** General Policy Condition in this policy are replaced by the following:

A. The first Named Insured shown in the Declarations may cancel this entire policy by mailing or delivering to us advance written notice of cancellation.

B. Cancellation Of Policies In Effect:

1. 60 Days Or Less

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

a. 30 days before the effective date of cancellation if we cancel for any reason not included in Paragraph **B.2.** below.

b. 15 days before the effective date of cancellation if we cancel for any of the reasons included in Paragraph **B.2.** below:

2. For More Than 60 Days

If this policy has been in effect for more than 60 days, or if this policy is a renewal or continuation of a policy we issued, we may cancel only for any of the reasons listed below, provided we mail the first Named Insured written notice at least 15 days before the effective date of cancellation:

a. Nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;

b. Conviction of a crime arising out of acts increasing the hazard I insured against;

c. Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim;

d. After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and that occurred subsequent to inception of the current policy period;

- e. Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the policy which results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, that causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;
 - f. Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public;
 - g. A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of, any provision of the Insurance Code; or
 - h. Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. If we cancel for this reason, you may make a written request to the Department of Financial Services, within 10 days of receipt of this notice, to review our cancellation decision. Also, we will simultaneously send a copy of this cancellation notice to the Department of Financial Services.
3. We will mail or deliver our notice, including the reason for cancellation, to the first Named Insured at the address shown in the policy and to the authorized agent or broker.
4. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata.
- However, when the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.
5. If one of the reasons for cancellation in Paragraph **B.2.** or **D.2.b. (2)** exists, we may cancel this entire policy, even if the reason for cancellation pertains only to a new coverage or endorsement initially effective subsequent to the original issuance of this policy.
- C. The following conditions are added:
1. **Nonrenewal**

If we decide not to renew this policy we will send notice as provided in Paragraph **C.3.**, below.

2. Conditional Renewal

If we conditionally renew this policy subject to a:

- a. Change of limits;
- b. Change in type of coverage;
- c. Reduction of coverage;
- d. Increased deductible;
- e. Addition of exclusion; or
- f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit;

we will send notice as provided in Paragraph **C.3.** below.

3. Notices Of Nonrenewal And Conditional Renewal

- a. If we decide not to renew this policy or to conditionally renew this policy as provided in Paragraphs **C.1.** and **C.2.** above, we will mail or deliver written notice to the first Named Insured shown in the Declarations at least 60 but not more than 120 days before:
 - (1) The expiration date; or
 - (2) The anniversary date if this is a continuous policy.
- b. Notice will be mailed or delivered to the first Named Insured at the address shown in the policy and to the authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.
- c. Notice will include the specific reason(s) for nonrenewal or conditional renewal, including the amount of any premium increase for conditional renewal and description of any other changes.
- d. If we violate any of the provisions of Paragraph **C.3.a., b. or c.** above by sending the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice:
 - (1) And if notice is provided prior to the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the first

Named Insured, during this 60 day period, has replaced the coverage or elects to cancel.

(2) And if the notice is provided on or after the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another policy period, at the lower of the current rates or the prior period's rates, unless the first Named Insured, during this additional policy period, has replaced the coverage or elects to cancel.

e. If you elect to renew on the basis of a late conditional renewal notice, the terms, conditions and rates set forth in such notice shall apply:

(1) Upon expiration of the 60 day period, unless Subparagraph (2) below applies; or

(2) Notwithstanding the provisions in Paragraphs d.(1) and d.(2), as of the renewal date of the policy if we send the first Named Insured the conditional renewal notice at least 30 days prior to the expiration or anniversary date of the policy.

f. We will not send you notice of nonrenewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that the policy has been replaced or is no longer desired.

D. The following provisions also apply:

1. Items D.2. and D.3. apply if this policy meets the following conditions:

a. The policy is issued or issued for delivery in New York State covering property located in this state; and

b. The policy insures:

(1) For loss of or damage to structures, other than hotels or motels, used predominantly for residential purposes and consisting of no more than four dwelling units; or

(2) For loss of or damage to personal property other than farm personal property or business property; or

(3) Against damages arising from liability for loss of, damage to or injury to persons or property, except liability arising from business or farming; and

c. The portion of the annual premium attributable to the property and contingencies described in 1.b. exceeds the portion applicable to other property and contingencies.

2. Procedure And Reasons For Cancellation

- a. We may cancel this entire policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- b. But if this policy:
 - (1) Has been in effect for more than 60 days; or
 - (2) Is a renewal of a policy we issued:we may cancel this policy only for one or more of the following reasons:
 - (a) Nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;
 - (b) Conviction of a crime arising out of acts increasing the risk of loss;
 - (c) Discovery of fraud or material misrepresentation in obtaining the policy or in making a claim;
 - (d) Discovery of willful or reckless acts or omission increasing the risk of loss;
 - (e) Physical changes in the covered property that make the property uninsurable in accordance with our objective and uniformly applies underwriting standards in effect when we:
 - i. Issued the policy; or
 - ii. Last voluntarily renewed the policy;
 - (f) The superintendent of Financial Services' determination that continuing the policy would violate Chapter 28 of the Insurance Law; or
 - (g) Required pursuant to a determination by the Superintendent of Financial Services that the continuation of our present premium volume would be hazardous to the interest of our policyholders, our creditors or the public.

3. The following are added:

a. **Conditional Continuation**

Instead of cancelling this policy, we may continue it on the condition that:

- (1) The policy limits be changed; or
- (2) Any coverage not required by law be eliminated.

If this policy is conditionally continued, we will mail or deliver to the first Named Insured written notice at least 20 days before the effective date of the change or elimination. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

b. **Nonrenewal**

If, as allowed by the laws of New York State, we:

- (1) Do not renew this policy; or
- (2) Condition policy renewal upon:
 - (a) Change of limits; or
 - (b) Elimination of coverage;

we will mail or deliver written notice of nonrenewal or conditional renewal:

- (a) At least 45 days; but
- (b) Not more than 60 days;

before the expiration date of the policy. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

E. The following provision is added:

When the property is subject to the Anti-Arson Application in accordance with New York Department of Financial Services' Insurance Regulation No. 96, the following provisions are added:

If you fail to return the completed, signed and affirmed anti-arson application to us:

1. Or our broker or agent within 45 days of the effective date of a new policy, we will cancel the entire policy by giving 20 days' written notice to you and to the mortgageholder shown in the Declarations.
2. Before the expiration date of any policy, we will cancel the policy by giving written notice to you and to the mortgageholder shown in the Declarations at least 15 days before the effective date of cancellation.

The cancellation provisions set forth in **E.1.** and **E.2.** above supersede any contrary provisions in this policy including this endorsement.

If the notice in **E.1.** or **E.2.** above is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

F. The third paragraph of the **Mortgage Provisions** General Policy Condition is replaced by the following:

1. Cancellation

- a. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- b. If you cancel this policy, we will give written notice to the mortgageholder. With respect to the mortgageholder's interest only, cancellation will become effective on the later of:
 - (1) The effective date of cancellation of the insured's coverage; or
 - (2) 10 days after we give notice to the mortgageholder.

2. Nonrenewal

- a. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.
- b. If you elect not to renew this policy, we will give written notice to the mortgageholder. With respect to the mortgageholder's interest only, nonrenewal will become effective on the later of:
 - (1) The expiration date of the policy; or
 - (2) 10 days after we give notice to the mortgageholder.

This Endorsement Changes the Policy. Please Read It Carefully.

NEW YORK CHANGES

This endorsement modifies coverage provided under the following:

COMPREHENSIVE ALL RISK FORM

- A.** If this policy covers the interest of the owner of any of the following types of buildings or structures:
1. Residential, except owner-occupied single-family or owner-occupied two-family buildings or structures;
 2. Commercial; or
 3. Industrial;

the following provision is added:

Before payment to the Insured for loss or damage to the above buildings or structures caused by or resulting from fire, we will:

- a. Deduct from the Insured's payment the claim of any tax district that issues a certificate of lien in accordance with the Insurance Law; and
- b. Pay directly to the tax district the amount of the claim.

When we pay that claim, we will have no obligation to pay the amount of that claim to the Insured. Our payment of that claim within 30 days of our receipt of the certificate of lien will be a conclusive presumption that the claim was valid and properly paid.

- B.** The following is added with respect to any Condition of this Coverage which requires the Insured to notify us of loss or to notify us of an accident, claim or "suit":
1. Notice given by or on the Insured's behalf; or
 2. Written notice by or on behalf of any claimant;

to any of our agents in New York State, which adequately identifies the Insured, will be the same as notice to us.

- C.** The **Suit Against The Company** Loss Condition of General Policy Conditions is replaced by the following:

Legal Action Against Us

No person or organization has a right under this Coverage:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from the Insured; or

- b. To sue us on this Coverage unless all of its terms have been fully complied with, and unless commenced within twenty-four months next after inception of the loss.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against the Insured; but we will not be liable for damages that are not payable under the terms of this Coverage or that are in excess of the Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the Insured and the claimant or the claimant's legal representative.

D. The **Appraisal** Loss Condition of General Policy Conditions is replaced by the following:

Appraisal

1. If we and you disagree on the value of the property, the extent of the loss or damage or the amount of the loss or damage, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of such demand.
2. If we or you fail to proceed with the appraisal of the covered loss after a written demand is made by either party, then either party may apply to a court having jurisdiction for an order directing the party that failed to proceed with the appraisal to comply with the demand for the appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of such order.
3. The two appraisers will select an umpire. If they cannot agree within 15 days upon such umpire, each may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property, the extent of the loss or damage and the amount of the loss or damage. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding.
4. Each party will:
 - a. Pay its chosen appraiser; and
 - b. Bear the other expenses of the appraiser and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

E. The following condition, **Examination Of Your Books And Records**, is added to the General Policy Conditions:

EXAMINATION OF YOUR BOOKS AND RECORDS

1. Except as provided in 2. below, we may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

2. We will conduct an audit to determine the final premium due or to be refunded, for coverage for which an advance or deposit premium was paid based on estimated exposure. But the audit may be waived if:
 - a. The total annual premium attributable to the auditable exposure base is not reasonably expected to exceed \$1,500; or
 - b. The policy requires notification to the insurer with the specific identification of any additional exposure units (e.g., buildings) for which coverage is requested.

If the audit is not waived, it must be completed within 180 days after:

- a. The expiration date of this policy; or
- b. The anniversary date, if this is a continuous policy or a policy written for a term longer than one year.

- F. The following provision is added to the **Property Damage Coverage** section of this policy:

ESTIMATION OF CLAIMS

Upon request, we will furnish the Insured or the Insured's representative with a written estimate of damages to real property specifying all deductions, provided such an estimate has been prepared by us or has been prepared on our behalf for our own purposes. This estimate will be provided within thirty days after the Insured's request or its preparation, whichever is later.

This Endorsement Changes the Policy. Please Read It Carefully.

NEW YORK - EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMPREHENSIVE ALL RISK FORM

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover earnings, extra expense or interruption by civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this policy.

- C.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this policy.

This endorsement forms a part of Policy Number: FTMS1037L0
Insured: WEWORK INC.

Effective date: 11/01/2020

**SHPR 01 068
(01-2011 ed.)**

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NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

This Endorsement Changes the Policy. Please Read It Carefully.

NEW YORK CHANGES - FUNGUS, WET ROT AND DRY ROT

This endorsement modifies coverage provided under the following:

COMPREHENSIVE ALL RISK FORM

- A.** Section **III. ADDITIONAL COVERAGES**, item **B. 20.** Limited Coverage for "Fungus", Wet Rot, Dry Rot is deleted.

- B.** Section **IV. EXCLUSIONS**, item **A. 8.** "Fungus", Wet Rot or Dry Rot is deleted.

This endorsement forms a part of Policy Number: FTMS1037L0
Insured: WEWORK INC.

Effective date: 11/01/2020

SHPR 01 106 (0519)

Page 1 of 1
NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

This Endorsement Changes the Policy. Please Read It Carefully.

AMENDATORY ENDORSEMENT

This endorsement modifies coverage provided under the following:

COMPREHENSIVE ALL RISK FORM

- I. The first paragraph of **III. Additional Coverages, Item B.12. Electronic Data – Property Damage of SECTION B - PROPERTY DAMAGE COVERAGE PART** is deleted and replaced with the following:

We will pay for the cost to replace or restore “electronic data” which has been destroyed or corrupted as a result of direct physical loss or damage insured by this policy. Insured direct physical loss or damage does not include physical loss or damage caused by a “computer virus” or the malicious introduction of a harmful code or similar instruction into or enacted on a “computer”, computer system or a network to which it is connected, designed to damage or destroy any part of the “computer” or the system or disrupts its normal operation.

- II. The first paragraph of **IV. Time Element Coverage Extensions, Item B. Electronic Data – Time Element of SECTION C - TIME ELEMENT COVERAGE PART** is deleted and replaced with the following:

We will pay the actual loss sustained by the Insured, during the Period of Restoration, when the Insured’s business is “suspended” due to insured direct physical loss or damage resulting in destruction or corruption of the Insured’s “electronic data” programs or software at an Insured Location. Insured direct physical loss or damage does not include physical loss or damage caused by a “computer virus” or the malicious introduction of a harmful code or similar instruction introduced into or enacted on a “computer”, computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the “computer” or system or disrupt its normal operation.

- III. The following definitions are added to **SECTION E – DEFINITIONS:**

“Contaminant” - Any foreign substance, impurity, chemical, “pollutant”, hazardous material, poison, toxin, pathogen or pathogenic organism, except “fungus” wet rot or dry rot.

“Property in the Course of Construction” means covered property at an Insured Location which is in the course of construction, installation, erection, start-up, commissioning, reconstruction, repairs, demolition, alteration, renovation and the like.

This endorsement forms a part of
Policy Number:

FTMS1037L0

Effective Date: 11-01-2020

Insured: WEWORK INC.

SHPR 02 094 (0618)

1-08651

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

This Endorsement Changes the Policy. Please Read It Carefully.

NEW YORK - AMENDATORY ENDORSEMENT

This endorsement modifies coverage provided under the following:

COMPREHENSIVE ALL RISK FORM

- I. The first paragraph of **III. Additional Coverages, Item B.12. Electronic Data – Property Damage of SECTION B - PROPERTY DAMAGE COVERAGE PART** is deleted and replaced with the following:

We will pay for the cost to replace or restore “electronic data” which has been destroyed or corrupted as a result of direct physical loss or damage insured by this policy. Insured direct physical loss or damage does not include physical loss or damage caused by a “computer virus” or the malicious introduction of a harmful code or similar instruction into or enacted on a “computer”, computer system or a network to which it is connected, designed to damage or destroy any part of the “computer” or the system or disrupts its normal operation.

- II. The first paragraph of **IV. Time Element Coverage Extensions, Item B. Electronic Data – Time Element of SECTION C - TIME ELEMENT COVERAGE PART** is deleted and replaced with the following:

We will pay the actual loss sustained by the Insured, during the Period of Restoration, when the Insured’s business is “suspended” due to insured direct physical loss or damage resulting in destruction or corruption of the Insured’s “electronic data” programs or software at an Insured Location. Insured direct physical loss or damage does not include physical loss or damage caused by a “computer virus” or the malicious introduction of a harmful code or similar instruction introduced into or enacted on a “computer”, computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the “computer” or system or disrupt its normal operation.

- III. The following definitions are added to **SECTION E – DEFINITIONS:**

“Property in the Course of Construction” means covered property at an Insured Location which is in the course of construction, installation, erection, start-up, commissioning, reconstruction, repairs, demolition, alteration, renovation and the like.

This endorsement forms a part of
Policy Number:

FTMS1037L0

Effective Date: 11-01-2020

Insured: WEWORK INC.

SHPR 02 098 (0918)

1-08651

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.



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Policy No. FTMS1037L0

DECLARATIONS

This Policy covers property, as described in this Policy, against ALL RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, while located as described in this Policy.

1. NAMED INSURED AND MAILING ADDRESS

WeWork Inc. and any subsidiary, affiliated, associated or allied company, corporation, firm, organizations, LLC, partnership or joint ventures, including members, partners and investors as now or hereafter constituted or acquired, as their respective interest may appear; and any other party in interest that is required by contract or other agreement to be named as their respective interest may appear, including, but not limited to Named Insured entities provided.

And any entity for which a Named Insured has management control or ownership as now constituted or hereafter is acquired, as the respective interest of each may appear; all hereafter referred to as the "Insured," including legal representatives.

45 West 18th Street, 6th Floor
New York, NY 10011

2. POLICY DATES

TERM: Annual

FROM: November 1, 2020 at 12:01 a.m., Standard Time;
TO: November 1, 2021 at 12:01 a.m., Standard Time,

at the **location** of property involved as provided in this Policy.

3. INSURANCE PROVIDED

The coverage under this Policy applies to property described on the Schedule of Locations or covered under the terms and conditions of the AUTOMATIC COVERAGE, ERRORS AND OMISSIONS or MISCELLANEOUS PROPERTY provisions, unless otherwise provided.

Schedule of Locations are as listed on the Schedule of Locations on file with the Company.

4. PREMIUM

This Policy is issued in consideration of an initial premium.

5. PREMIUM PAYABLE

WeWork Companies Inc. pays the premium under this Policy, and any return of the paid premium accruing under this Policy will be paid to the account of WeWork Inc.



Policy No. FTMS1037L0

6. LOSS ADJUSTMENT/PAYABLE

Loss, if any, will be adjusted with and payable to WeWork Inc., or as may be directed by WeWork Inc..

Additional insured interests will also be included in loss payment as their interests may appear when named as additional named insured, lender, mortgagee and/or loss payee either on a Certificate of Insurance or other evidence of insurance on file with the Company or named below.

When named on a Certificate of Insurance or other evidence of insurance, such additional interests are automatically added to this Policy as their interests may appear as of the effective date shown on the Certificate of Insurance or other evidence of insurance. The Certificate of Insurance or other evidence of insurance will not amend, extend or alter the terms, conditions, provisions and limits of this Policy.

7. TERRITORY

Coverage as provided under this Policy shall apply within the United States of America; including its' territories and possessions.

8. JURISDICTION

This Policy will be governed by the laws of the United States of America.

Any disputes arising hereunder will be exclusively subject to United States of America jurisdiction.

9. CURRENCY

All amounts, including deductibles, premiums and limits of liability, indicated in this Policy shall be in the currency represented by the three letter currency designation shown. This three letter currency designator is defined in Table A.1-Currency and funds code list, International Organization for Standardization (ISO) 4217, edition in effect at the inception of this Policy.

10. LIMITS OF LIABILITY

The Company's maximum limit of liability in an **occurrence**, including any insured TIME ELEMENT loss, will not exceed the Policy limit of liability of **USD \$300,000,000** subject to the following provisions:

- A. Limits of liability and time limits stated below or elsewhere in this Policy are part of, and not in addition to, the Policy limit of liability.
- B. Limits of liability in an **occurrence** apply to the total loss or damage at all **locations** and for all coverages involved, including any insured TIME ELEMENT loss, subject to the following provisions:
 - 1) when a limit of liability applies in the **aggregate during any policy year**, the Company's maximum amount payable will not exceed such limit of liability during any policy year.



Policy No. FTMS1037L0

- 2) when a limit of liability applies to a **location** or other specified property, such limit of liability will be the maximum amount payable for all loss or damage at all **locations** arising from physical loss or damage at such **location** or to such other specified property.
- C. Should an **occurrence** result in liability payable under more than one policy issued to the Named Insured by the Company, or its **representative companies**, the maximum amount payable in the aggregate under all such policies will be the applicable limit(s) of liability indicated in this Policy.

Applicable Limits of Liability/Time Limits:

ATTRACTION PROPERTY	USD \$100,000 / 30 consecutive days
ACCIDENTAL INTERRUPTION OF SERVICES	\$25,000,000
ACCOUNTS RECEIVABLE	USD \$10,000,000
CIVIL OR MILITARY AUTHORITY	\$5,000,000 45 consecutive days, 1 mile distance limitation
CLAIMS PREPARATION COSTS	USD \$5,000,000
COINSURANCE DEFICIENCY AND CURRENCY DEVALUATION	NO COVERAGE PROVIDED
COMMUNICABLE DISEASE RESPONSE	NO COVERAGE PROVIDED
COMPUTER SYSTEMS NON PHYSICAL DAMAGE and DATA, PROGRAMS OR SOFTWARE combined	NO COVERAGE PROVIDED
CONTINGENT TIME ELEMENT EXTENDED	USD \$10,000,000
COURSE OF CONSTRUCTION / BUILDERS RISK (HARD COSTS)	USD \$25,000,000
CRISIS MANAGEMENT	NO COVERAGE PROVIDED
Debris Removal	The Greater of \$25,000,000 or 25% of the adjusted Property Damage and Time Element Combined Loss



Policy No. FTMS1037L0

Decontamination Cost	\$1,000,000
Defense Cost	\$250,000
Delay in Opening of property in Course of Construction	\$5,000,000 but not to exceed 30 Days
EARTH MOVEMENT	USD \$100,000,000 Per Occurrence and Annual Aggregate except;
EARTH MOVEMENT IN CALIFORNIA	USD \$25,000,000 Per Occurrence and Annual Aggregate except
EARTH MOVEMENT IN ALASKA AND HAWAII	NO COVERAGE PROVIDED
EARTH MOVEMENT IN NEW MADRID SEISMIC ZONE	USD \$25,000,000 Per Occurrence and Annual Aggregate
EARTH MOVEMENT IN PACIFIC NORTHWEST SEISMIC ZONE	USD \$25,000,000 Per Occurrence and Annual Aggregate
EDP MEDIA AND HARDWARE (INCLUDING LAPTOPS)	USD \$5,000,000
ELECTRONIC DATA PROCESSING & MEDIA	USD \$5,000,000
ERRORS AND OMISSIONS	USD \$5,000,000
EXPEDITING COSTS and EXTRA EXPENSE COMBINED (INCLUDING SOFT COSTS)	USD \$10,000,000
EXTENDED PERIOD OF LIABILITY	365 day period
FINE ARTS	USD \$500,000 but not to exceed a USD \$100,000 limit per item for irreplaceable fine arts not on a schedule on file with the Company
FINES OR PENALTIES FOR BREACH OF CONTRACT OR FOR LATE OR NONCOMPLETION OF ORDERS COMBINED	USD \$100,000
FLOOD – NON- Special Flood Hazard Area SFHA (OR ITS EQUIVALENT)	USD \$100,000,000 per Occurrence and in the Annual aggregate; except,



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FLOOD – Special Flood Hazard Area (SFHA)	USD \$25,000,000 per Occurrence and in the Annual aggregate
GROSS PROFIT	12 month period
INGRESS/EGRESS	\$5,000,000, 45 day period, 1 mile distance limitation
Installments and Deferred Payments	\$1,000,000
INTERRUPTION BY COMMUNICABLE DISEASE	NO COVERAGE PROVIDED
LEASEHOLD INTEREST	USD \$5,000,000
LOGISTICS EXTRA COST	180 day period but not to exceed 200% of the normal cost
MISCELLANEOUS PROPERTY	<p>As respects property at a location:</p> <p>a) USD \$ 5,000,000 per occurrence</p> <p>As respects property not at a location:</p> <p>a) USD \$1,000,000</p>
Named Storm	USD 300,000,000
NEWLY ACQUIRED PROPERTY	180 day period but not to exceed a USD \$25,000,000 limit, per location
OFF PREMISES DATA SERVICES PROPERTY DAMAGE and OFF PREMISES DATA SERVICES TIME ELEMENT combined	No Coverage Provided
OFF PREMISES POWER/SERVICE INTERRUPTION PROPERTY DAMAGE and TIME ELEMENT COMBINED (coin)	USD \$25,000,000/ 5 miles distance limitation
OFFSITE STORAGE	USD \$5,000,000
LAW AND ORDINANCE	\$25,000,000 – Demolition, Increased Cost of Construction, Increased Cost of Compliance



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	(Undamaged Portion Fully Covered to Loss Limit)
Neighbor's Recourse and Tenant's Liability	\$2,000,000
PERSONAL PROPERTY OF OTHERS IN CARE, CUSTODY, CONTROL (CCC)	USD \$1,000,000
POLLUTANT REMOVAL INCLUDING LAND AND WATER	USD \$1,000,000 annual aggregate
Professional Fees	\$5,000,000
PROPERTY IN TRANSIT	USD \$3,000,000
Rental Insurance	\$25,000,000
Mold as a Result of a Covered Peril	\$2,500,000
Soft Costs	\$5,000,000
Tax Liability	\$5,000,000
Unnamed Locations	\$25,000,000
VALUABLE PAPERS AND RECORDS	USD \$10,000,000 but not to exceed a USD \$10,000 limit per item for irreplaceable valuable papers and records not on a schedule on file with the Company

EQUIPMENT BREAKDOWN / BOILER & MACHINERY	\$100,000,000
Ammonia Contamination	\$1,000,000
Hazardous Substance	\$1,000,000
Water Damage	\$1,000,000
Contingent Time Element	\$1,000,000



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Extra Expense	\$1,000,000
Expediting Expense	\$1,000,000
Spoilage	\$1,000,000
Data Restoration	\$1,000,000
Service interruption	\$1,000,000
DICC	\$1,000,000

11. DEDUCTIBLES

Subject to the deductible general provisions stated below, in each case of loss covered by this Policy the following deductibles apply:

FLOOD	USD \$50,000 combined all coverages, per occurrence except;
earthquake	USD \$50,000 combined all coverages, per occurrence
EARTHQUAKE IN CALIFORNIA	5% per location subject to a minimum of USD \$100,000 combined all coverages, per occurrence
Earthquake in New Madrid Seismic Zone	3% per location subject to a minimum of USD \$100,000 combined all coverages, per occurrence
Earthquake in Pacific Northwest Seismic Zone	3% per location subject to a minimum of USD \$100,000 combined all coverages, per occurrence
FLOOD – Special Flood Hazard Area (SFHA)	USD \$250,000 combined all coverages, per Location
Wind in counties noted in ADDENDUM A - Tier 1 Wind Counties	5% per location subject to a minimum of USD \$100,000 combined all coverages, per occurrence
ALL OTHER LOSS	USD \$10,000 combined all coverages, per occurrence



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Deductible General Provisions:

In each case of loss covered by this Policy, the Company will be liable only if the Insured sustains a loss, including any insured TIME ELEMENT loss, in a single **occurrence** greater than the applicable deductible specified above, and only for its share of that greater amount.

- A. For SERVICE INTERRUPTION loss, when a deductible is not specifically stated as applying to SERVICE INTERRUPTION, the deductible applied to the SERVICE INTERRUPTION loss will be the deductible that would apply if the cause of the interruption happened at the insured **location** that sustains the interruption of the specified services.
- B. For CONTINGENT TIME ELEMENT EXTENDED loss, when a deductible is not specifically stated as applying to CONTINGENT TIME ELEMENT EXTENDED, the deductible for CONTINGENT TIME ELEMENT EXTENDED loss will be determined as though the **contingent time element location** was an insured **location** under this Policy.
- C. The stated earthquake deductible will be applied to earthquake loss. The stated **flood** deductible will be applied to **flood** loss. The stated **wind** deductible will be applied to **wind** loss. The provisions of item E below will also be applied to each.
- D. When this Policy insures more than one **location**, the deductible will apply against the total loss covered by this Policy in an **occurrence** except that a deductible that applies on a per **location** basis, if specified, will apply separately to each **location** where the physical damage happened regardless of the number of **locations** involved in the **occurrence**.
- E. Unless stated otherwise, if two or more deductibles apply to an **occurrence**, the total to be deducted will not exceed the largest deductible applicable. For the purposes of this provision, when a separate Property Damage and a separate Time Element deductible apply, the sum of the two deductibles will be considered a single deductible. If two or more deductibles apply on a per **location** basis in an **occurrence**, the largest deductible applying to each **location** will be applied separately to each such **location**.
- F. When a % deductible is stated above, whether separately or combined, the deductible is calculated as follows:

Property Damage – % of the value, per the Valuation clause(s) of the PROPERTY DAMAGE section, of the property insured at the **location** where the physical damage happened.

Time Element – % of the full Time Element values that would have been earned in the 12 month period following the **occurrence** by use of the facilities at the **location** where the physical damage happened, plus that proportion of the full Time Element values at all other **locations** where TIME ELEMENT loss ensues that was directly affected by use of such facilities and that would have been earned in the 12 month period following the **occurrence**.

- G. For insured physical loss or damage:

- 1) to insured fire protection equipment; or



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- 2) from water or other substance discharged from fire protection equipment of the type insured,

the applicable deductible applying to items 1 or 2 above only will be reduced by fifty percent (50%), per **occurrence**. However, this provision will not apply to loss or damage resulting from fire or **earth movement** regardless of whether claim is made for such fire or **earth movement**.



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PROPERTY DAMAGE

1. INSURED PROPERTY

This Policy insures the following property, unless otherwise excluded elsewhere in this Policy, as described in the INSURANCE PROVIDED provision or within 1,000 feet/300 metres thereof, to the extent of the interest of the Insured in such property:

- A. Real Property, including new buildings and additions under construction, in which the Insured has an insurable interest.
- B. Personal Property:
 - 1) owned by the Insured.
 - 2) consisting of the Insured's interest as a tenant in improvements and betterments. In the event of physical loss or damage, the Company agrees to accept and consider the Insured as sole and unconditional owner of improvements and betterments, notwithstanding any contract or lease to the contrary.
 - 3) of officers and employees of the Insured.
 - 4) of others in the Insured's custody to the extent the Insured is under obligation to keep insured for physical loss or damage insured by this Policy.
 - 5) of others in the Insured's custody to the extent of the Insured's legal liability for insured physical loss or damage to Personal Property. The Company will defend that portion of any suit against the Insured that alleges such liability and seeks damages for such insured physical loss or damage. The Company may, without prejudice, investigate, negotiate and settle any claim or suit as the Company deems expedient.

This Policy also insures the interest of contractors and subcontractors in insured property during construction at an insured **location** or within 1,000 feet/300 metres thereof, to the extent of the Insured's legal liability for insured physical loss or damage to such property. Such interest of contractors and subcontractors is limited to the property for which they have been hired to perform work and such interest will not extend to any TIME ELEMENT coverage provided under this Policy.

2. EXCLUDED PROPERTY

The following exclusions apply unless otherwise stated in this Policy:

This Policy excludes:

- A. currency, money, notes or securities.
- B. precious metal in bullion form.
- C. land and any substance in or on land. However, this exclusion does not apply to:



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- 1) landscape gardening.
 - 2) car parks, parking lots, pavement, roadways, railways, transformer enclosures or walkways.
 - 3) fill beneath car parks, parking lots, pavement, roadways, railways, transformer enclosures, walkways, or buildings and structures.
- D. water. However, this exclusion does not apply to:
- 1) water that is contained within any enclosed tank, piping system or any other processing equipment.
- E. animals, standing timber or growing crops.
- F. watercraft or aircraft, except when unfueled and manufactured by the Insured.
- G. vehicles of officers or employees of the Insured or vehicles otherwise insured for physical loss or damage.
- H. underground mines or mine shafts or any property within such mine or shaft.
- J. property in transit, except as otherwise provided by this Policy.
- K. property sold by the Insured under conditional sale, trust agreement, installment plan or other deferred payment plan after delivery to customers, except as provided by the INSTALLMENT OR DEFERRED PAYMENTS coverage of this Policy.
- L. electronic data, programs or software, except when they are stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured, or as otherwise provided by the DATA, PROGRAMS OR SOFTWARE coverage of this Policy.

3. EXCLUSIONS

In addition to the exclusions elsewhere in this Policy, the following exclusions apply unless otherwise stated:

- A. This Policy excludes:
- 1) indirect or remote loss or damage.
 - 2) interruption of business, except to the extent provided by this Policy.
 - 3) loss of market or loss of use.
 - 4) loss or damage or deterioration arising from any delay.



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- 5) mysterious disappearance, loss or shortage disclosed on taking inventory, or any unexplained loss.
- 6) loss from enforcement of any law or ordinance:
 - a) regulating the construction, repair, replacement, use or removal, including debris removal, of any property; or
 - b) requiring the demolition of any property, including the cost in removing its debris;

except as provided by the DECONTAMINATION COSTS and LAW AND ORDINANCE coverages of this Policy.

- 7) loss resulting from the voluntary parting with title or possession of property if induced by any fraudulent act or by false pretence.

B. This Policy excludes loss or damage directly or indirectly caused by or resulting from any of the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

- 1) nuclear reaction or nuclear radiation or radioactive contamination. However:
 - a) if physical damage by fire or sprinkler leakage results, then only that resulting damage is insured; but not including any loss or damage due to nuclear reaction, radiation or radioactive contamination.
 - b) this Policy does insure physical damage directly caused by sudden and accidental radioactive contamination, including resultant radiation damage, from material used or stored or from processes conducted on the insured **location**, provided that on the date of loss, there is neither a nuclear reactor nor any new or used nuclear fuel on the insured **location**.

This exclusion B1 and the exceptions in B1a and B1b do not apply to any act, loss or damage which also comes within the terms of exclusion B2b of this EXCLUSIONS clause.

- 2) a) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack by any:
 - (i) government or sovereign power (de jure or de facto);
 - (ii) military, naval or air force; or
 - (iii) agent or authority of any party specified in i or ii above.
- b) discharge, explosion or use of any nuclear device, weapon or material employing or involving nuclear fission, fusion or radioactive force, whether in time of peace or war and regardless of who commits the act.



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- c) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an event.
 - d) seizure or destruction under quarantine or custom regulation, or confiscation by order of any governmental or public authority.
 - e) risks of contraband, or illegal transportation or trade.
- 3) any dishonest act, including but not limited to theft, committed alone or in collusion with others, at any time:
- a) by an Insured or any proprietor, partner, director, trustee, officer, or employee of an Insured; or
 - b) by any proprietor, partner, director, trustee, or officer of any business or entity (other than a common carrier) engaged by an Insured to do anything in connection with property insured under this Policy.

This Policy does insure acts of direct insured physical damage intentionally caused by an employee of an Insured or any individual specified in b above, and done without the knowledge of the Insured. In no event does this Policy cover loss by theft by any individual specified in a or b above.

- 4) lack of the following services:
- a) incoming electricity, fuel, water, gas, steam or refrigerant;
 - b) outgoing sewerage;
 - c) incoming or outgoing voice, data or video,
- all when caused by an event off the insured **location**, except as provided in the SERVICE INTERRUPTION and OFF PREMISES DATA SERVICES coverages of this Policy. But, if the lack of such a service directly causes insured physical damage on the insured **location**, then only that resulting damage is insured.

- C. This Policy excludes the following, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured:
- 1) faulty workmanship, material, construction or design from any cause.
 - 2) loss or damage to stock or material attributable to manufacturing or processing operations while such stock or material is being processed, manufactured, tested, or otherwise worked on.
 - 3) deterioration, depletion, rust, corrosion or erosion, wear and tear, inherent vice or latent defect.
 - 4) settling, cracking, shrinking, bulging, or expansion of:



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- a) foundations (including any pedestal, pad, platform or other property supporting machinery).
 - b) floors.
 - c) pavements.
 - d) walls.
 - e) ceilings.
 - f) roofs.
- 5) a) changes of temperature damage (except to machinery or equipment); or
b) changes in relative humidity damage,
all whether atmospheric or not.
- 6) insect, animal or vermin damage.
- D. This Policy excludes the following unless directly resulting from other physical damage not excluded by this Policy:
- 1) **contamination**, and any cost due to **contamination** including the inability to use or occupy property or any cost of making property safe or suitable for use or occupancy. If **contamination** due only to the actual not suspected presence of **contaminant(s)** directly results from other physical damage not excluded by this Policy, then only physical damage caused by such **contamination** may be insured. This exclusion D1 does not apply to radioactive contamination which is excluded elsewhere in this Policy.
 - 2) shrinkage.
 - 3) changes in color, flavor, texture or finish.

4. APPLICATION OF POLICY TO DATE OR TIME RECOGNITION

With respect to situations caused by any **date or time recognition** problem by **electronic data processing equipment or media** (such as the so-called Year 2000 problem), this Policy applies as follows.

- A. This Policy does not pay for remediation, change, correction, repair or assessment of any **date or time recognition** problem, including the Year 2000 problem, in any **electronic data processing equipment or media**, whether preventative or remedial, and whether before or after a loss, including temporary protection and preservation of property. This Policy does not pay for any TIME ELEMENT loss resulting from the foregoing remediation, change, correction, repair or assessment.



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- B. Failure of **electronic data processing equipment or media** to correctly recognize, interpret, calculate, compare, differentiate, sequence, access or process data involving one or more dates or times, including the Year 2000, is not insured physical loss or damage. This Policy does not pay for any such incident or for any TIME ELEMENT loss resulting from any such incident.

Subject to all of its terms and conditions, this Policy does pay for physical loss or damage not excluded by this Policy that results from a failure of **electronic data processing equipment or media** to correctly recognize, interpret, calculate, compare, differentiate, sequence, access or process data involving one or more dates or times, including the Year 2000. Such covered resulting physical loss or damage does not include any loss, cost or expense described in A or B above. If such covered resulting physical loss or damage happens, and if this Policy provides TIME ELEMENT coverage, then, subject to all of its terms and conditions, this Policy also covers any insured Time Element loss directly resulting therefrom.

5. VALUATION

Adjustment of the physical loss amount under this Policy will be computed as of the date of loss at the place of the loss, and for no more than the interest of the Insured.

Unless stated otherwise in an Additional Coverage, adjustment of physical loss to property will be subject to the following:

- A. On stock in process, the value of raw materials and labor expended plus the proper proportion of overhead charges.
- B. On finished goods manufactured by the Insured, the regular cash selling price, less all discounts and charges to which the finished goods would have been subject had no loss happened.
- C. On raw materials, supplies or other merchandise not manufactured by the Insured:
 - 1) if repaired or replaced, the actual expenditure incurred in repairing or replacing the damaged or destroyed property; or
 - 2) if not repaired or replaced, the **actual cash value**.
- D. On exposed films, records, manuscripts and drawings that are not **valuable papers and records**, the value blank plus the cost of copying information from back-up or from originals of a previous generation. These costs will not include research, engineering or any costs of restoring or recreating lost information.
- E. On all other property, the lesser of the following:
 - 1) The cost to repair.
 - 2) The cost to rebuild or replace on the same site with new materials of like size, kind and quality.



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- 3) The cost in rebuilding, repairing or replacing on the same or another site, but not to exceed the size and operating capacity that existed on the date of loss.
- 4) The selling price of real property or machinery and equipment, other than stock, offered for sale on the date of loss.
- 5) The cost to replace unrepairable electrical or mechanical equipment, including computer equipment, with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of system enhancement.
- 6) The increased cost of demolition, if any, directly resulting from insured loss, if such property is scheduled for demolition.
- 7) The unamortized value of improvements and betterments, if such property is not repaired or replaced at the Insured's expense.
- 8) The **actual cash value** if such property is:
 - a) useless to the Insured; or
 - b) not repaired, replaced or rebuilt or the Insured's plans to repair, replace or rebuild such Property is not commenced on the same or another site within two years from the date of loss, unless such time is extended by the Company. Nevertheless, the Insured may elect initially to claim for the **actual cash value** subject to the terms and conditions of this policy, and subsequently submit a claim for the difference between the amount claimed and the replacement cost new as stipulated in this Valuation clause, provided the Company is notified of this intent within two years after the date of direct physical loss or damage and provided the property suffering loss or damage is actually repaired or replaced.

The Insured may elect not to repair or replace the insured real or personal property lost, damaged or destroyed. Loss settlement may be elected on the lesser of repair or replacement cost basis if the proceeds of such loss settlement are expended on other capital expenditures related to the Insured's operations within two years from the date of loss. As a condition of collecting under this item, such expenditure must be unplanned as of the date of loss and be made at an insured **location** under this Policy. This item does not extend to LAW AND ORDINANCE.

6. ADDITIONAL COVERAGES

This Policy includes the following Additional Coverages for insured physical loss or damage.

These Additional Coverages:

- 1) are subject to the applicable limit of liability;
- 2) will not increase the Policy limit of liability; and



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- 3) are subject to the Policy provisions, including applicable exclusions and deductibles, all as shown in this section and elsewhere in this Policy.

CYBER ADDITIONAL COVERGAES

A. DATA, PROGRAMS OR SOFTWARE

This Policy covers insured **physical loss or damage to electronic data, programs or software**, including physical loss or damage caused by the malicious introduction of a machine code or instruction, while anywhere within this Policy's TERRITORY, including while in transit.

With respect to destruction, distortion or corruption caused by the malicious introduction of machine code or instruction, this Additional Coverage will apply when the Period of Liability is in excess of 48 hours.

This Additional Coverage also covers:

- 1) the cost of the following reasonable and necessary actions taken by the Insured provided such actions are taken due to actual insured **physical loss or damage to electronic data, programs or software**:
 - a) actions to temporarily protect and preserve insured electronic data, programs or software.
 - b) actions taken for the temporary repair of insured **physical loss or damage to electronic data, programs or software**.
 - c) actions taken to expedite the permanent repair or replacement of such damaged property.
- 2) the reasonable and necessary costs incurred by the Insured to temporarily protect or preserve insured electronic data, programs or software against immediately impending insured **physical loss or damage to electronic data, programs or software**. In the event that there is no physical loss or damage, the costs covered under this item will be subject to the deductible that would have applied had there been such physical loss or damage.

Costs recoverable under this Additional Coverage are excluded from coverage elsewhere in this Policy.

This Additional Coverage excludes loss or damage to data, programs or software when they are stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured.

DATA, PROGRAMS OR SOFTWARE Exclusions: As respects DATA, PROGRAMS OR SOFTWARE, the following applies:



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- 1) the exclusions in the EXCLUSIONS clause of this section do not apply except for A1, A2, A6, B1, B2, B3a and B4.
- 2) the following additional exclusions apply:

This Policy excludes the following, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured:

- a) errors or omissions in processing or copying.
- b) loss or damage to data, programs or software from errors or omissions in programming or machine instructions.
- c) deterioration, inherent vice, vermin or wear and tear.

DATA, PROGRAMS OR SOFTWARE Valuation: On property covered under this Additional Coverage the loss amount will not exceed:

- 1) the cost to repair, replace or restore data, programs or software including the costs to recreate, research and engineer;
- 2) if not repaired, replaced or restored within two years from the date of loss, the blank value of the media.

B. OFF PREMISES DATA SERVICES PROPERTY DAMAGE

This Policy covers insured physical loss or damage to insured property at an insured **location** when such physical loss or damage results from the interruption of **off-premises data processing or data transmission services** by reason of any accidental event at the facilities of the provider of such services that immediately prevents in whole or in part the delivery of such provided services.

For the purposes of this Additional Coverage:

- 1) facilities of the provider of **off-premises data processing or data transmission services** can be located worldwide except in Cuba, Iran, Sudan, Syria or Crimea Region of Ukraine, and
- 2) an accidental event to satellites will be considered an accidental event at the facilities of the provider.

This Additional Coverage will apply when the period of interruption of **off-premises data processing or data transmission services** as described below is in excess of 24 hours.

The period of interruption of **off-premises data processing or data transmission services** is the period starting with the time when an interruption of provided services happens; and ending when with due diligence and dispatch the service could be wholly restored.

Additional General Provisions:



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- 1) The Insured will immediately notify the company providing **off-premises data processing or data transmission services** of any interruption of such services.
- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has entered into for such specified services.

OFF PREMISES DATA SERVICES PROPERTY DAMAGE Exclusions: As respects OFF PREMISES DATA SERVICES PROPERTY DAMAGE, the following applies:

- 1) Item B4 of the EXCLUSIONS clause in the PROPERTY DAMAGE section does not apply except for B4 with respect to:
 - a) incoming electricity, fuel, water, gas, steam or refrigerant; and
 - b) outgoing sewerage.

OTHER ADDITIONAL COVERAGES

A. ACCIDENTAL INTERRUPTION OF SERVICES

This Policy covers physical damage resulting from changes in temperature or relative humidity to insured property at an insured **location** when such changes in temperature or relative humidity result from the interruption of services consisting of electricity, gas, fuel, steam, water or refrigeration by reason of any accidental event, other than insured physical loss or damage, at the insured **location**.

The period of service interruption is the period starting with the time when an interruption of specified services happens; and ending when with due diligence and dispatch the service could be wholly restored.

B. ACCOUNTS RECEIVABLE

This Policy covers the following directly resulting from insured physical loss or damage to accounts receivable records while anywhere within this Policy's TERRITORY, including while in transit:

- 1) any shortage in the collection of accounts receivable.
- 2) the interest charges on any loan to offset such impaired collection pending repayment of such uncollectible sum. Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts will be deducted in determining the amount recoverable.
- 3) the reasonable and necessary cost incurred for material and time required to re-establish or reconstruct accounts receivable records excluding any costs covered by any other insurance.



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- 4) any other necessary and reasonable costs incurred to reduce the loss, to the extent the losses are reduced.

Accounts receivable records will include accounts receivable records stored as electronic data.

In the event of loss, the Insured will:

- 1) use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding accounts receivable.
- 2) reduce loss by use of any suitable property or service:
 - a) owned or controlled by the Insured; or
 - b) obtainable from other sources.
- 3) reconstruct, if possible, accounts receivable records so that no shortage is sustained.

The settlement of loss will be made within 90 days from the date of physical loss or damage. All amounts recovered by the Insured on outstanding accounts receivable on the date of loss will belong and be paid to the Company up to the amount of loss paid by the Company. All recoveries exceeding the amount paid will belong to the Insured.

ACCOUNTS RECEIVABLE Exclusions: As respects ACCOUNTS RECEIVABLE, the following additional exclusions apply:

This Policy does not insure against shortage resulting from:

- 1) bookkeeping, accounting or billing errors or omissions; or
- 2) a) alteration, falsification, manipulation; or
 - b) concealment, destruction or disposal,

of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.

C. AUTOMATIC COVERAGE

This Policy covers insured physical loss or damage to insured property at any **location** purchased, leased or rented by the Insured after the inception date of this Policy.

This Additional Coverage applies:

- 1) from the date of purchase, lease or rental,



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- 2) until the first of the following:
 - a) the **location** is bound by the Company.
 - b) agreement is reached that the **location** will not be insured under this Policy.
 - c) the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section has been reached. The time limit begins on the date of purchase, lease or rental.

D. BRANDS AND LABELS

If branded or labeled insured property is physically damaged and the Company elects to take all or any part of that property, the Insured may at the Company's expense:

- 1) stamp "salvage" on the property or its containers; or
 - 2) remove or obliterate the brands or labels,
- if doing so will not damage the property.

The Insured must relabel such property or its containers to be in compliance with any applicable law.

E. CLAIMS PREPARATION COSTS

This Policy covers the actual costs incurred by the Insured:

- 1) of reasonable fees payable to the Insured's: accountants, architects, auditors, engineers, or other professionals; and
- 2) the cost of using the Insured's employees,

for producing and certifying any particulars or details contained in the Insured's books or documents, or such other proofs, information or evidence required by the Company resulting from insured loss payable under this Policy for which the Company has accepted liability.

This Additional Coverage will not cover the fees and costs of:

- 1) attorneys, public adjusters, and loss appraisers, all including any of their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them,
- 2) loss consultants who provide consultation on coverage or negotiate claims.

This Additional Coverage is subject to the deductible that applies to the loss.



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F. COINSURANCE DEFICIENCY AND CURRENCY DEVALUATION

This Policy covers the deficiency in the amount of loss payable under the Insured's locally written policy(ies), if any, and its renewals, issued by the Company or its **representative company(ies)**, solely as the result of:

- 1) the application of a coinsurance (or average) clause; or
- 2) official government devaluation of the currency in which the local policy is written, for physical loss or damage of the type insured under such local policy(ies) to property of the type insured under this Policy.

The Insured agrees to adjust the Policy values as a result of such devaluation within 30 days after the date of the currency's devaluation.

There is no liability under this Additional Coverage if the Insured is unable to recover any loss under such local policy(ies) due to intentional underinsurance by the Insured.

G. COMMUNICABLE DISEASE RESPONSE

If a location owned, leased or rented by the Insured has the actual not suspected presence of **communicable disease** and access to such **location** is limited, restricted or prohibited by:

- 1) an order of an authorized governmental agency regulating the actual not suspected presence of **communicable disease**; or
- 2) a decision of an Officer of the Insured as a result of the actual not suspected presence of **communicable disease**,

this Policy covers the reasonable and necessary costs incurred by the Insured at such **location** with the actual not suspected presence of **communicable disease** for the:

- 1) cleanup, removal and disposal of the actual not suspected presence of **communicable diseases** from insured property; and
- 2) actual costs of fees payable to public relations services or actual costs of using the Insured's employees for reputation management resulting from the actual not suspected presence of **communicable diseases** on insured property.

This Additional Coverage does not cover any costs incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the actual not suspected presence of **communicable disease**.

H. CONSEQUENTIAL REDUCTION IN VALUE

This Policy covers the reduction in value of insured merchandise that is a part of pairs, sets, or components, directly resulting from insured physical loss or damage to other insured parts



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of pairs, sets or components of such merchandise. If settlement is based on a constructive total loss, the Insured will surrender the undamaged parts of such merchandise to the Company.

I. CONTROL OF DAMAGED PROPERTY

This Policy gives control of physically damaged property consisting of finished goods as follows:

- 1) the Insured will have full rights to the possession and control of damaged property in the event of insured physical damage to such property provided proper testing is done to show which property is physically damaged.
- 2) the Insured using reasonable judgment will decide if the physically damaged property can be reprocessed or sold.
- 3) property so judged by the Insured to be unfit for reprocessing or selling will not be sold or disposed of except by the Insured, or with the Insured's consent.
- 4) any salvage proceeds received will go to the:
 - a) Company at the time of loss settlement; or
 - b) Insured if received prior to loss settlement and such proceeds will reduce the amount of loss payable accordingly.

J. DEBRIS REMOVAL

This Policy covers the reasonable and necessary costs incurred to remove debris from an insured **location** that remains as a direct result of insured physical loss or damage.

This Additional Coverage does not cover the costs of removal of:

- 1) contaminated uninsured property; or
- 2) the **contaminant** in or on uninsured property,

whether or not the **contamination** results from insured physical loss or damage. This Additional Coverage covers the costs of removal of contaminated insured property or the **contaminant** in or on insured property only if the **contamination**, due to the actual not suspected presence of **contaminant(s)**, of the debris resulted directly from other physical damage not excluded by the Policy.

K. DECONTAMINATION COSTS

If insured property is contaminated as a direct result of insured physical damage and there is in force at the time of the loss any law or ordinance regulating **contamination** due to the actual not suspected presence of **contaminant(s)**, then this Policy covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal



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of such contaminated insured property in a manner to satisfy such law or ordinance. This Additional Coverage applies only to that part of insured property so contaminated due to the actual not suspected presence of **contaminant(s)** as a direct result of insured physical damage.

The Company is not liable for the costs required for removing contaminated uninsured property or the **contaminant** therein or thereon, whether or not the **contamination** results from an insured event.

L. ERRORS AND OMISSIONS

If physical loss or damage is not payable under this Policy solely due to an error or unintentional omission:

- 1) in the description of where insured property is physically located;
- 2) to include any **location**:
 - a) owned, leased or rented by the Insured on the effective date of this Policy; or
 - b) purchased, leased or rented by the Insured during the term of this Policy; or
- 3) that results in cancellation of the property insured under this Policy;

this Policy covers such physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

It is a condition of this Additional Coverage that any error or unintentional omission be reported by the Insured to the Company when discovered and corrected.

M. EXPEDITING COSTS

This Policy covers the reasonable and necessary costs incurred:

- 1) for the temporary repair of insured physical damage to insured property;
- 2) for the temporary replacement of insured equipment suffering insured physical damage; and
- 3) to expedite the permanent repair or replacement of such damaged property.

This Additional Coverage does not cover costs recoverable elsewhere in this Policy, including the cost of permanent repair or replacement of damaged property.

N. FINE ARTS AND VALUABLE PAPERS AND RECORDS

This Policy covers insured physical loss or damage to **fine arts** and **valuable papers and records** while anywhere within this Policy's TERRITORY, including while in transit.



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FINE ARTS AND VALUABLE PAPERS AND RECORDS Exclusions: As respects FINE ARTS AND VALUABLE PAPERS AND RECORDS, the following applies:

- 1) the exclusions in the EXCLUSIONS clause of this section do not apply except for A1, A2, A6, A7, B1, B2, B3a and B4.
- 2) the following additional exclusions apply:

This Policy excludes:

- a) currency, money, securities.
- b) errors or omissions in processing or copying of **valuable papers and records**, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured.
- c) deterioration, inherent vice, or wear and tear, but, if physical damage not excluded by this Policy results, then only that resulting damage is insured.
- d) fungus, mold or mildew unless directly resulting from other physical damage not excluded by this Policy.
- e) loss or damage to **fine arts** from any repairing, restoration or retouching process.

FINE ARTS AND VALUABLE PAPERS AND RECORDS Valuation: On property covered under this Additional Coverage the loss amount will not exceed the lesser of the following:

- 1) the cost to repair or restore such property to the physical condition that existed on the date of loss.
- 2) the cost to replace.
- 3) the value, if any, designated for the item on the schedule on file with the Company.

If a **fine arts** article is part of a pair or set, and a physically damaged article cannot be replaced, or repaired or restored to the condition that existed immediately prior to the loss, the Company will be liable for the lesser of the full value of such pair or set or the amount designated on the schedule. The Insured agrees to surrender the pair or set to the Company.

O. INSTALLMENT OR DEFERRED PAYMENTS

This Policy covers insured physical loss or damage to personal property of the type insured sold by the Insured under a conditional sale or trust agreement or any installment or deferred payment plan and after such property has been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

In the event of loss to property sold under deferred payment plans, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding amounts due or to regain possession of the property.



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There is no liability under this Policy for loss:

- 1) pertaining to products recalled including, but not limited to, the costs to recall, test or to advertise such recall by the Insured.
- 2) from theft or conversion by the buyer of the property after the buyer has taken possession of such property.
- 3) to the extent the buyer continues payments.
- 4) not within the TERRITORY of this Policy.

INSTALLMENT OR DEFERRED PAYMENTS Valuation: On property covered under this Additional Coverage the loss amount will not exceed the lesser of the following:

- 1) total amount of unpaid installments less finance charges.
- 2) **actual cash value** of the property at the time of loss.
- 3) cost to repair or replace with material of like size, kind and quality.

P. LAND AND WATER CONTAMINANT CLEANUP, REMOVAL AND DISPOSAL

This Policy covers the reasonable and necessary cost for the cleanup, removal and disposal of the actual not suspected presence of **contaminant(s)** from uninsured property consisting of land, water or any other substance in or on land at the insured **location** if the release, discharge or dispersal of such **contaminant(s)** is a direct result of insured physical loss or damage to insured property.

This Policy does not cover the cost to cleanup, remove and dispose of **contamination** from such property:

- 1) at any **location** insured for Personal Property only.
- 2) at any property insured under AUTOMATIC COVERAGE, ERRORS AND OMISSIONS or MISCELLANEOUS PROPERTY coverage provided by this Policy.
- 3) when the Insured fails to give written notice of loss to the Company within 180 days after inception of the loss.

Q. LAW AND ORDINANCE

This Policy covers the costs as described herein resulting from the Insured's obligation to comply with a law or ordinance, provided that:

- 1) such law or ordinance is enforced as a direct result of insured physical loss or damage at an insured **location**;



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- 2) such law or ordinance is in force at the time of such loss or damage; and
- 3) such **location** was not required to be in compliance with such law or ordinance prior to the happening of the insured physical loss or damage.

Coverage A:

The reasonable and necessary costs incurred by the Insured to comply with the enforcement of the minimum requirements of any law or ordinance that regulates the demolition, construction, repair, replacement or use of buildings, structures, machinery or equipment.

As respects insured property, this Coverage A covers the reasonable and necessary costs to:

- 1) demolish any physically damaged and undamaged portions of the insured buildings, structures, machinery or equipment.
- 2) repair or rebuild the physically damaged and undamaged portions, whether or not demolition is required, of such insured buildings, structures, machinery or equipment.

The Company's maximum liability for this Coverage A at each insured **location** in any **occurrence** will not exceed the actual costs incurred in demolishing the physically damaged and undamaged portions of the insured property plus the lesser of:

- 1) the reasonable and necessary cost, excluding the cost of land, to rebuild on another site; or
- 2) the cost to rebuild on the same site.

Coverage B:

The reasonable estimated cost to repair, replace or rebuild insured property consisting of buildings, structures, machinery or equipment that the Insured is legally prohibited from repairing, replacing or rebuilding to the same height, floor area, number of units, configuration, occupancy or operating capacity, because of the enforcement of any law or ordinance that regulates the construction, repair, replacement or use of buildings, structures, machinery or equipment.

LAW AND ORDINANCE Coverage B Valuation: On property covered under this Coverage B that cannot legally be repaired or replaced, the loss amount will be the difference between:

- 1) the **actual cash value**; and
- 2) the cost that would have been incurred to repair, replace or rebuild such lost or damaged property had such law or ordinance not been enforced at the time of loss.

LAW AND ORDINANCE Exclusions: As respects LAW AND ORDINANCE, the following additional exclusions apply:

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- 1) any cost incurred as a direct or indirect result of enforcement of any law or ordinance regulating any form of **contamination**.
- 2) any machinery or equipment manufactured by or for the Insured, unless used by the Insured in its operation at the **location** suffering the physical loss or damage.

R. MACHINERY OR EQUIPMENT STARTUP OPTION

After insured machinery or equipment that has sustained insured physical loss or damage is repaired or replaced and such machinery or equipment is undergoing startup, the following applies:

If physical loss or damage of the type insured directly results to such machinery or equipment from such startup, the Insured shall have the option of claiming such resulting insured damage as part of the original event of physical loss or damage or as a separate **occurrence**.

This Additional Coverage applies only:

- 1) to the first startup event after the original repair or replacement; and
- 2) when the first startup event happens during the term of this Policy or its renewal issued by the Company.

For the purposes of this Additional Coverage, startup means:

- 1) the introduction into machinery or equipment of feedstock or other materials for processing or handling;
- 2) the commencement of fuel or energy supply to machinery or equipment.

S. MISCELLANEOUS PROPERTY

This Policy covers insured physical loss or damage to:

- 1) insured property;
- 2) property of the type insured that is under contract to be used in a construction project at an insured **location**:
 - a) from the time such property is delivered to the Insured or their contractor (with respect to the property under construction) by the manufacturer or supplier;
 - b) while such property is located at a storage site; and
 - c) while such property is in transit from a storage site to another storage site or to a construction project at an insured **location**,



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that does not include any such property owned or rented by the contractor; while anywhere within this Policy's TERRITORY, including while in transit. This Additional Coverage excludes property covered elsewhere in this Policy.

MISCELLANEOUS PROPERTY Exclusions: As respects MISCELLANEOUS PROPERTY, the following additional exclusions apply:

- 1) This Policy excludes:
 - a) **transmission and distribution systems** beyond 1,000 feet of an insured **location**.
 - b) property insured under import or export ocean marine insurance.
 - c) property shipped between continents.
 - d) airborne shipments unless by regularly scheduled passenger airlines or air freight carriers.
 - e) property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier.

T. OPERATIONAL TESTING

This Policy covers insured physical loss or damage to insured property during the **period of operational testing**.

This Additional Coverage excludes property, including stock or material, manufactured or processed by the Insured.

U. PROTECTION AND PRESERVATION OF PROPERTY

This Policy covers:

- 1) reasonable and necessary costs incurred for actions to temporarily protect or preserve insured property or similar property of the Insured's tenants; provided such actions are necessary due to actual, or to prevent immediately impending, insured physical loss or damage to such insured property.
- 2) reasonable and necessary:
 - a) fire department firefighting charges imposed as a result of responding to a fire in, on or exposing the insured property.
 - b) costs incurred of restoring and recharging fire protection systems following an insured loss.



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- c) costs incurred for the water used for fighting a fire in, on or exposing the insured property.

This Additional Coverage is subject to the deductible provisions that would have applied had the physical loss or damage happened.

V. SERVICE INTERRUPTION PROPERTY DAMAGE

This Policy covers insured physical loss or damage to insured property at an insured **location** when such physical loss or damage results from the interruption of incoming services consisting of electricity, gas, fuel, steam, water, refrigeration or from the lack of outgoing sewerage service by reason of any accidental event at the facilities of the supplier of such service located within this Policy's TERRITORY, that immediately prevents in whole or in part the delivery of such usable service.

The period of service interruption is the period starting with the time when an interruption of specified services happens; and ending when with due diligence and dispatch the service could be wholly restored.

Additional General Provisions:

- 1) The Insured will immediately notify the suppliers of services of any interruption of such services.
- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services.

SERVICE INTERRUPTION PROPERTY DAMAGE Exclusions: As respects SERVICE INTERRUPTION PROPERTY DAMAGE, the following applies:

- 1) The exclusions in the EXCLUSIONS clause in this section do not apply except for:
 - a) A1, A2, A3, A6, B1, B2, and
 - b) B4 with respect to incoming or outgoing voice, data or video, and
 - c) D1 except with respect to fungus, mold or mildew.

W. TEMPORARY REMOVAL OF PROPERTY

When insured property is removed from an insured **location** for the purpose of being repaired or serviced or in order to avoid threatened physical loss or damage of the type insured by this Policy, this Policy covers such property:

- 1) while at the premises to which such property has been moved; and
- 2) for physical loss or damage as provided at the insured **location** from which such property was removed.



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This Additional Coverage does not apply to property:

- 1) insured, in whole or in part, elsewhere in this Policy.
- 2) insured, in whole or in part, by any other insurance policy.
- 3) removed for normal storage, processing or preparation for sale or delivery.

X. TERRORISM

This Policy covers physical loss or damage to property as described in the INSURANCE PROVIDED provision caused by or resulting from **terrorism**.

Any act which satisfies the definition of **terrorism** shall not be considered to be vandalism, malicious mischief, riot, civil commotion, or any other risk of physical loss or damage covered elsewhere in this Policy.

Amounts recoverable under this Additional Coverage are excluded from coverage elsewhere in this Policy.

This Additional Coverage does not cover loss or damage which also comes within the terms of either item B2a or B2c of the EXCLUSIONS clause in this section of the Policy.

This Additional Coverage does not in any event cover loss or damage directly or indirectly caused by or resulting from any of the following, regardless of any other cause or event, whether or not insured under this Policy contributing concurrently or in any other sequence to the loss:

- 1) that involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radioactive contamination or that involves the discharge, explosion or use of any nuclear device, weapon or material employing or involving nuclear fission, fusion, or radioactive force, whether in time of peace or war and regardless of who commits the act; or
- 2) that is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- 3) in which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

Y. TRANSPORTATION

This Policy covers the following personal property, except as excluded by this Policy, while in transit within the TERRITORY of this Policy:

- 1) owned by the Insured.



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- 2) shipped to customers under F.O.B., C & F or similar terms. The Insured's contingent interest in such shipments is admitted.
- 3) of others in the actual or constructive custody of the Insured to the extent of the Insured's interest or legal liability.
- 4) of others sold by the Insured, that the Insured has agreed prior to the loss to insure during course of delivery including:
 - a) when shipped by the Insured's direct contract service provider or by the Insured's direct contract manufacturer to the Insured or to the Insured's customer.
 - b) when shipped by the Insured's customer to the Insured or to the Insured's contract service provider or to the Insured's contract manufacturer.
 - c) when shipped by the Insured's contractors or subcontractors to be used in the construction of property at an insured **location**

Coverage Attachment and Duration:

- 1) This Additional Coverage covers from the time the property leaves the original point of shipment for transit. It then covers continuously in the due course of transit:
 - a) within the continent in which the shipment commences until the property arrives at the destination within such continent; or
 - b) between Europe and Asia, for land or air shipments only, from when the shipment commences until the property arrives at the destination.
- 2) However, coverage on export shipments not insured under ocean cargo policies ends when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not insured under ocean cargo policies begins after discharge from overseas vessels or aircraft.

This Additional Coverage:

- 1) covers general average and salvage charges on shipments covered while waterborne.
- 2) insures physical loss or damage caused by or resulting from:
 - a) unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts.
 - b) improper parties having gained possession of property through fraud or deceit.

Additional General Provisions:

- 1) This Additional Coverage will not inure directly or indirectly to the benefit of any carrier or bailee.



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- 2) The Insured has permission, without prejudicing this insurance, to accept:
 - a) ordinary bills of lading used by carriers;
 - b) released bills of lading;
 - c) undervalued bills of lading; and
 - d) shipping or messenger receipts.
- 3) The Insured may waive subrogation against railroads under side track agreements.

Except as otherwise stated, the Insured will not enter into any special agreement with carriers releasing them from their common law or statutory liability.

TRANSPORTATION Exclusions: As respects TRANSPORTATION, the following applies:

- 1) the exclusions in the EXCLUSIONS clause of this section do not apply except for A1 through A4, B1 through B4, C1, C3, C5, C6, D1 through D3.
- 2) the following additional exclusions apply:

This Policy excludes:

- a) samples in the custody of salespeople or selling agents.
- b) property insured under import or export ocean marine insurance.
- c) waterborne shipments, unless:
 - (i) by inland water; or
 - (ii) by roll-on/roll-off ferries operating between European ports; or
 - (iii) by coastal shipments.
- d) airborne shipments unless by regularly scheduled passenger airlines or air freight carriers.
- e) property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier.
- f) any transporting vehicle.
- g) property shipped between continents, except by land or air between Europe and Asia.



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TRANSPORTATION Valuation: On property covered under this Additional Coverage the loss amount will not exceed:

- 1) Property shipped to or for the account of the Insured will be valued at actual invoice to the Insured. Included in the value are accrued costs and charges legally due. Charges may include the Insured's commission as selling agent.
- 2) Property sold by the Insured and shipped to or for the purchaser's account will be valued at the Insured's selling invoice amount. Prepaid or advanced freight costs are included.
- 3) Property not under invoice will be valued:
 - a) for property of the Insured, at the valuation provisions of this Policy applying at the place from which the property is being transported; or
 - b) for other property, at the actual cash market value at the destination point on the date of loss,
less any charges saved which would have become due and payable upon arrival at destination.



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TIME ELEMENT

TIME ELEMENT loss as provided in the TIME ELEMENT COVERAGES and TIME ELEMENT COVERAGE EXTENSIONS of this section of the Policy:

- A. is subject to the applicable limit of liability that applies to the insured physical loss or damage but in no event for more than any limit of liability that is stated as applying to the specific TIME ELEMENT COVERAGE and/or TIME ELEMENT COVERAGE EXTENSION; and
- B. will not increase the Policy limit of liability; and
- C. is subject to the Policy provisions, including applicable exclusions and deductibles, all as shown in this section and elsewhere in this Policy.

1. LOSS INSURED

- A. This Policy insures TIME ELEMENT loss, as provided in the TIME ELEMENT COVERAGES, directly resulting from physical loss or damage of the type insured:
 - 1) to property described elsewhere in this Policy and not otherwise excluded by this Policy or otherwise limited in the TIME ELEMENT COVERAGES below;
 - 2) used by the Insured, or for which the Insured has contracted use;
 - 3) while located as described in the INSURANCE PROVIDED provision or within 1,000 feet/300 metres thereof, or as described in the TEMPORARY REMOVAL OF PROPERTY provision; or
 - 4) while in transit as provided by this Policy, and
 - 5) during the Periods of Liability described in this section.

provided such loss or damage is not at a **contingent time element location**.

- B. This Policy insures TIME ELEMENT loss only to the extent it cannot be reduced through:
 - 1) the use of any property or service owned or controlled by the Insured;
 - 2) the use of any property or service obtainable from other sources;
 - 3) working extra time or overtime; or
 - 4) the use of inventory,

all whether at an insured **location** or at any other premises. The Company reserves the right to take into consideration the combined operating results of all associated, affiliated or subsidiary companies of the Insured in determining the TIME ELEMENT loss.



- C. This Policy covers expenses reasonably and necessarily incurred by the Insured to reduce the loss otherwise payable under this section of this Policy. The amount of such recoverable expenses will not exceed the amount by which the loss has been reduced.
- D. In determining the amount of loss payable, the Company will consider the experience of the business before and after and the probable experience during the PERIOD OF LIABILITY. The probable experience will consider any increase or decrease in demand for the Insured's goods or services during the PERIOD OF LIABILITY, even if such increase or decrease is from the same event that caused physical loss or damage starting the PERIOD OF LIABILITY.

2. TIME ELEMENT COVERAGES

A. INSURED OPTION

The Insured has the option to make claim based on either

- a) GROSS EARNINGS and EXTENDED PERIOD OF LIABILITY; or
- b) GROSS PROFIT,

as described in the TIME ELEMENT section of this Policy and subject to the applicable terms and conditions as may be shown elsewhere.

Such option may be exercised at any time prior to the conditions set forth in the SETTLEMENT OF CLAIMS clause in the LOSS ADJUSTMENT AND SETTLEMENT section of this Policy.

If such claim involves more than one insured **location**, including interdependency at one or more insured **locations**, such claim will be adjusted by using the single coverage option chosen above.

B. GROSS EARNINGS

Measurement of Loss:

- 1) The recoverable GROSS EARNINGS loss is the Actual Loss Sustained by the Insured of the following during the PERIOD OF LIABILITY:
 - a) Gross Earnings;
 - b) less all charges and expenses that do not necessarily continue during the interruption of production or suspension of business operations or services;
 - c) plus all other earnings derived from the operation of the business.
- 2) For the purposes of the Measurement of Loss, Gross Earnings is:



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for manufacturing operations: the net sales value of production less the cost of all raw stock, materials and supplies used in such production; or

for mercantile or non-manufacturing operations: the total net sales less cost of merchandise sold, materials and supplies consumed in the operations or services rendered by the Insured.

Any amount recovered under property damage coverage at selling price will be considered to have been sold to the Insured's regular customers and will be credited against net sales.

- 3) In determining the indemnity payable as the Actual Loss Sustained, the Company will consider the continuation of only those normal charges and expenses that would have been earned had there been no interruption of production or suspension of business operations or services.
- 4) There is recovery hereunder to the extent that the Insured is:
 - a) wholly or partially prevented from producing goods or continuing business operations or services;
 - b) unable to make up lost production within a reasonable period of time, not limited to the period during which production is interrupted;
 - c) unable to continue such operations or services during the PERIOD OF LIABILITY; and
 - d) able to demonstrate a loss of sales for the operations, services or production prevented.

C. GROSS PROFIT

Measurement of Loss:

- 1) The recoverable GROSS PROFIT loss is the Actual Loss Sustained by the Insured of the following due to the necessary interruption of business during the PERIOD OF LIABILITY: a) Reduction in Sales and b) Increase in Cost of Doing Business. The amount payable as indemnity hereunder will be:
 - a) with respect to Reduction in Sales: The sum produced by applying the Rate of Gross Profit to the amount by which the sales during the PERIOD OF LIABILITY will fall short of the Standard Sales. In determining the Reduction in Sales, any amount recovered under property damage coverage at selling price will be credited against lost sales.
 - b) with respect to Increase in Cost of Doing Business:



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- (i) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in sales which, but for that expenditure, would have taken place during the PERIOD OF LIABILITY; but
- (ii) not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

all less any sum saved during the PERIOD OF LIABILITY with respect to such of the Insured Fixed Charges as may cease or be reduced because of such interruption of business.

2) For the purposes of the Measurement of Loss:

Gross Profit is:

The amount produced by adding to the Net Profit the amount of the Insured Fixed Charges, or if there be no Net Profit the amount of the Insured Fixed Charges less that proportion of any loss from business operations as the amount of the Insured Fixed Charges bears to all fixed charges.

Net Profit is:

The net operating profit (exclusive of all capital receipts and accruals and all outlay properly chargeable to capital) resulting from the business of the Insured at the insured **locations** after due provision has been made for all fixed charges and other expenses including depreciation but before the deduction of any taxes on profits.

Insured Fixed Charges is:

All fixed charges unless specifically excluded herein.

Sales is:

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the conduct of the business at an insured **location**.

Rate of Gross Profit is:

The rate of Gross Profit earned on the sales during the twelve full calendar months immediately before the date of the physical loss or damage to the described property.

Standard Sales is:

The sales during that period in the twelve months immediately before the date of the physical loss or damage to the described property which corresponds with the PERIOD OF LIABILITY.

3) In determining the indemnity payable as the Actual Loss Sustained:



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- a) if any fixed charges of the business are not insured hereunder, then, in computing the amount recoverable hereunder as Increase in Cost of Doing Business, that proportion only of the additional expenditure will be recoverable hereunder which the sum of the Net Profit and the Insured Fixed Charges bears to the sum of the Net Profit and all the fixed charges.
 - b) if during the PERIOD OF LIABILITY goods will be sold or services will be rendered elsewhere than at the insured **locations** for the benefit of the business, either by the Insured or by others on the Insured's behalf, the money paid or payable in respect of such sales or services will be included in arriving at the amount of sales during the PERIOD OF LIABILITY.
- 4) The Insured will act with due diligence and dispatch in repairing or replacing physically damaged buildings and equipment to the same or equivalent physical and operating conditions that existed prior to the damage; and take whatever actions are necessary and reasonable to minimize the loss payable hereunder.

GROSS PROFIT Exclusions: As respects GROSS PROFIT, the TIME ELEMENT EXCLUSIONS B of this section does not apply and the following applies instead:

This Policy does not insure against any increase in loss due to damages for breach of contract or for late or noncompletion of orders, or fines or penalties of any nature except fines or penalties for breach of contract or for late or noncompletion of orders.

Coverage under GROSS PROFIT for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the PERIOD OF LIABILITY.

D. EXTRA EXPENSE

Measurement of Loss:

The recoverable EXTRA EXPENSE loss will be the reasonable and necessary extra costs incurred by the Insured of the following during the PERIOD OF LIABILITY:

- 1) extra expenses to temporarily continue as nearly **normal** as practicable the conduct of the Insured's business;
- 2) extra costs of temporarily using property or facilities of the Insured or others; and
- 3) costs to purchase finished goods from third parties to fulfill orders when such orders cannot be met due to physical loss or damage to the Insured's finished goods, less payment received for the sale of such finished goods.

less any value remaining at the end of the PERIOD OF LIABILITY for property obtained in connection with the above.



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If the Insured makes claim in accordance with the terms and conditions of the INSURED OPTION clause, the PERIOD OF LIABILITY for EXTRA EXPENSE coverage will be the PERIOD OF LIABILITY applicable to the Time Element coverage option selected.

EXTRA EXPENSE Exclusions: As respects EXTRA EXPENSE, the following applies:

- 1) TIME ELEMENT EXCLUSION C does not apply to item 3 above.
- 2) The following additional exclusions apply:

This Policy does not insure:

- a) any loss of income.
- b) costs that usually would have been incurred in conducting the business during the same period had no physical loss or damage happened.
- c) costs of permanent repair or replacement of property that has been damaged or destroyed. However, this exclusion does not apply to item 3 above.
- d) any expense recoverable elsewhere in this Policy.

E. LEASEHOLD INTEREST

Measurement of Loss:

The recoverable LEASEHOLD INTEREST incurred by the Insured of the following:

- 1) If the lease agreement requires continuation of rent; and if the property is wholly untenantable or unusable, the actual rent payable for the unexpired term of the lease; or if the property is partially untenantable or unusable, the proportion of the rent payable for the unexpired term of the lease.
- 2) If the lease is cancelled by the lessor pursuant to the lease agreement or by the operation of law; the Lease Interest for the first three months following the loss; and the Net Lease Interest for the remaining unexpired term of the lease.
- 3) As used above, the following terms mean:

Net Lease Interest:

That sum which placed at 6% interest rate compounded annually would equal the Lease Interest (less any amounts otherwise payable hereunder).

Lease Interest:

The excess rent paid for the same or similar replacement property over actual rent payable plus cash bonuses or advance rent paid (including maintenance or operating charges) for each month during the unexpired term of the Insured's lease.



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LEASEHOLD INTEREST Exclusions: As respects LEASEHOLD INTEREST, the following applies:

- 1) This Policy does not insure loss directly resulting from physical loss or damage to Personal Property, unless it accompanies damage to the building, whether owned or occupied by the insured.
- 2) TIME ELEMENT EXCLUSIONS A, B and C do not apply and the following applies instead:

This Policy does not insure any increase in loss resulting from the suspension, lapse or cancellation of any license, or from the Insured exercising an option to cancel the lease; or from any act or omission of the Insured that constitutes a default under the lease.

F. RENTAL INSURANCE

Measurement of Loss:

The recoverable RENTAL INSURANCE loss is the Actual Loss Sustained by the Insured of the following during the PERIOD OF LIABILITY:

- 1) the fair rental value of any portion of the property occupied by the Insured;
- 2) the income reasonably expected from rentals of unoccupied or unrented portions of such property; and
- 3) the rental income from the rented portions of such property according to bona fide leases, contracts or agreements in force at the time of loss,

all not to include noncontinuing charges and expenses.

RENTAL INSURANCE Exclusions: As respects RENTAL INSURANCE, TIME ELEMENT EXCLUSIONS A does not apply and the following applies instead:

This Policy does not insure any loss of rental income during any period in which the insured property would not have been tenantable for any reason other than an insured loss.

3. PERIOD OF LIABILITY

- A. The PERIOD OF LIABILITY applying to all TIME ELEMENT COVERAGES, except GROSS PROFIT and LEASEHOLD INTEREST and as shown below or if otherwise provided under any TIME ELEMENT COVERAGE EXTENSION, and subject to any Time Limit provided in the LIMITS OF LIABILITY clause in the DECLARATIONS section, is as follows:

- 1) For building and equipment, the period:
 - a) starting from the time of physical loss or damage of the type insured; and



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- b) ending when with due diligence and dispatch the building and equipment could be:
 - (i) repaired or replaced; and
 - (ii) made ready for operations,
 under the same or equivalent physical and operating conditions that existed prior to the damage.
 - c) not to be limited by the expiration of this Policy.
- 2) For building and equipment under construction:
- a) the equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and startup would have been completed had no physical damage happened; and
 - b) due consideration will be given to the actual experience of the business compiled after completion of the construction and startup.
- 3) For stock-in-process and mercantile stock, including finished goods not manufactured by the Insured, the time required with the exercise of due diligence and dispatch:
- a) to restore stock in process to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services; and
 - b) to replace physically damaged mercantile stock.
- This item does not apply to RENTAL INSURANCE.
- 4) For raw materials and supplies, the period of time:
- a) of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but
 - b) limited to that period for which the damaged raw materials and supplies would have supplied operating needs.
- 5) If water:
- a) used for any manufacturing purpose, including but not limited to as a raw material or for power;
 - b) stored behind dams or in reservoirs; and
 - c) on any insured **location**,



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is released as the result of physical damage of the type insured to such dam, reservoir or connected equipment, the Company's liability for the actual interruption of production or suspension of operations or services due to inadequate water supply will not extend beyond 30 consecutive days after the damaged dam, reservoir or connected equipment has been repaired or replaced.

This item does not apply to RENTAL INSURANCE.

- 6) For physically damaged exposed films, records, manuscripts and drawings, the time required to copy from backups or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

This item does not apply to RENTAL INSURANCE.

- 7) For physically damaged or destroyed property covered under DATA, PROGRAMS OR SOFTWARE, the time to recreate or restore including the time for researching or engineering lost information.

This item does not apply to RENTAL INSURANCE.

B. The PERIOD OF LIABILITY applying to GROSS PROFIT is as follows:

- 1) The period:
 - a) starting from the time of physical loss or damage of the type insured; and
 - b) ending not later than the period of time shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section,
during which period the results of the business shall be directly affected by such damage.
 - c) not to be limited by the expiration of this Policy.
- 2) For property under construction, the period:
 - a) starting on the date that production, business operation or service would have commenced if physical damage of the type insured had not happened; and
 - b) ending not later than the period of time shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section,
during which period the results of the business shall be directly affected by such damage.
 - c) not to be limited by the expiration of this Policy.



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The Rate of Gross Profit and Standard Sales will be based on the experience of the business after construction is completed and the probable experience during the PERIOD OF LIABILITY.

- C. The PERIOD OF LIABILITY does not include any additional time due to the Insured's inability to resume operations for any reason, including but not limited to:
 - 1) making changes to the buildings, structures, machinery or equipment except as provided in the LAW AND ORDINANCE clause in the PROPERTY DAMAGE section.
 - 2) restaffing or retraining employees. However, this item does not apply to additional time needed to train staff to use new machinery or equipment that replaces machinery or equipment that suffered insured physical loss or damage, provided such training is completed within 90 consecutive days after the new machinery or equipment has been installed.

If two or more Periods of Liability apply such periods will not be cumulative.

4. TIME ELEMENT EXCLUSIONS

In addition to the exclusions elsewhere in this Policy, the following exclusions apply to TIME ELEMENT loss:

This Policy does not insure:

- A. Any loss during any idle period, including but not limited to when production, operation, service or delivery or receipt of goods would cease, or would not have taken place or would have been prevented due to:
 - 1) physical loss or damage not insured by this Policy on or off of the insured **location**.
 - 2) planned or rescheduled shutdown.
 - 3) strikes or other work stoppage.
 - 4) any other reason other than physical loss or damage insured under this Policy.
- B. Any increase in loss due to:
 - 1) suspension, cancellation or lapse of any lease, contract, license or orders.
 - 2) damages for breach of contract or for late or noncompletion of orders.
 - 3) fines or penalties of any nature except fines or penalties for breach of contract or for late or noncompletion of orders.
 - 4) any other consequential or remote loss.



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- C. Any loss resulting from physical loss or damage to finished goods manufactured by the Insured, or the time required for their reproduction.
- D. Any loss resulting from the **actual cash value** portion of direct physical loss or damage by fire caused by or resulting from **terrorism**.

5. TIME ELEMENT COVERAGE EXTENSIONS

This Policy also insures TIME ELEMENT loss, as provided by the TIME ELEMENT COVERAGES of this Policy, for the TIME ELEMENT COVERAGE EXTENSIONS described below.

CYBER TIME ELEMENT COVERAGE EXTENSIONS

A. COMPUTER SYSTEMS NON PHYSICAL DAMAGE

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the period of interruption directly resulting from:

- 1) the failure of the Insured's **electronic data processing equipment or media** to operate, provided that such failure is the direct result of a malicious act directed at the NAMED INSURED; or
- 2) the Insured's reasonable action to temporarily protect the Insured's **electronic data processing equipment or media** against an actual or immediately impending malicious act directed at the NAMED INSURED, provided such action is necessary to prevent failure of the Insured's **electronic data processing equipment or media** to operate.

As respects item 1 above, this Extension will apply when the period of interruption is in excess of 48 hours.

As used above, the period of interruption:

- 1) is the period starting when the Insured's **electronic data processing equipment or media** fails to operate and ending when with due diligence and dispatch, the Insured's **electronic data processing equipment or media** could be restored to the same or equivalent operating condition that existed prior to the failure.
- 2) does not include the additional time to make changes to the Insured's **electronic data processing equipment or media**.

B. OFF PREMISES DATA SERVICES TIME ELEMENT

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the period of interruption at an insured **location of off-premises data processing or data transmission services**, when the interruption is caused by any accidental event at the facilities of the provider of such services that immediately prevents in whole or in part the delivery of such provided services.



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For the purposes of this Additional Coverage:

- 1) facilities of the provider of **off-premises data processing or data transmission services** can be located worldwide except in Cuba, Iran, Sudan, Syria and Crimea Region of Ukraine, and
- 2) an accidental event to satellites will be considered an accidental event at the facilities of the provider.

This Extension will apply when the period of interruption of **off-premises data processing or data transmission services** is in excess of 24 hours.

Additional General Provisions:

- 1) The Insured will immediately notify the company providing **off-premises data processing or data transmission services** of any interruption of such services.
- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has entered into for such specified services.

Coverage provided in this Extension is excluded from coverage elsewhere in this Policy.

This Extension does not cover Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured covered by COMPUTER SYSTEMS NON PHYSICAL DAMAGE coverage as provided in this section of the Policy.

OFF PREMISES DATA SERVICES TIME ELEMENT Exclusions: As respects OFF PREMISES DATA SERVICES TIME ELEMENT, the following applies:

- 1) Item B4 of the EXCLUSIONS clause in the PROPERTY DAMAGE section does not apply except for B4 with respect to:
 - a) incoming electricity, fuel, water, gas, steam or refrigerant; and
 - b) outgoing sewerage.
- 2) The following additional exclusions apply:

As used above, the period of interruption of **off-premises data processing or data transmission services**:

- 1) is the period starting with the time when an interruption of provided services happens; and ending when with due diligence and dispatch the service could be wholly restored and the **location** receiving the service could or would have resumed normal operations following the restorations of service under the same or equivalent physical and operating conditions as provided by the PERIOD OF LIABILITY clause in this section.



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- 2) is limited to only those hours during which the Insured would or could have used service(s) if it had been available.
- 3) does not extend to include the interruption of operations caused by any reason other than interruption of the provided service(s).

SUPPLY CHAIN TIME ELEMENT COVERAGE EXTENSIONS

A. CIVIL OR MILITARY AUTHORITY

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY if an order of civil or military authority limits, restricts or prohibits partial or total access to an insured **location** provided such order is the direct result of physical damage of the type insured at the insured **location** or within one statute mile of it.

This Extension does not apply to LEASEHOLD INTEREST.

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of such physical damage; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section,

this period of time is part of and not in addition to any PERIOD OF LIABILITY applying to any coverage provided in the TIME ELEMENT section.

B. CONTINGENT TIME ELEMENT EXTENDED

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY directly resulting from physical loss or damage of the type insured to property of the type insured at **contingent time element locations** located within the TERRITORY of this Policy.

As respects CONTINGENT TIME ELEMENT EXTENDED:

- 1) Time Element loss recoverable under this Extension is extended to include the following TIME ELEMENT COVERAGE EXTENSIONS:

CIVIL OR MILITARY AUTHORITY
 CONTINGENT TIME ELEMENT EXTENDED
 DELAY IN STARTUP
 EXTENDED PERIOD OF LIABILITY
 INGRESS/EGRESS
 OFF PREMISES DATA SERVICES TIME ELEMENT



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ON PREMISES SERVICES
SERVICE INTERRUPTION TIME ELEMENT

- 2) The Insured will influence and cooperate with the **contingent time element location** in every way and take any reasonable and necessary action to mitigate the loss payable hereunder.
- 3) TIME ELEMENT EXCLUSIONS C does not apply.

CONTINGENT TIME ELEMENT EXTENDED Exclusions: As respects CONTINGENT TIME ELEMENT EXTENDED, the following additional exclusions apply:

This Policy does not insure loss resulting from:

- 1) lack of incoming or outgoing transmission of voice, data or video.
- 2) **earth movement** as respects a direct or indirect customer, supplier, contract manufacturer or contract service provider located in California, in the **New Madrid Seismic Zone** or in the **Pacific Northwest Seismic Zone**.
- 3) physical loss or damage caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence of loss.

C. INGRESS/EGRESS

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured due to the necessary interruption of the Insured's business due to partial or total physical prevention of ingress to or egress from an insured **location**, whether or not the premises or property of the Insured is damaged, provided that such prevention is a direct result of physical damage of the type insured to property of the type insured or within one statute miles of it..

INGRESS/EGRESS Exclusions: As respects INGRESS/EGRESS, the following additional exclusions apply:

This Policy does not insure loss resulting from:

- 1) lack of incoming or outgoing service consisting of electric, fuel, gas, water, steam, refrigerant, sewerage and voice, data or video.
- 2) picketing or other action by strikers except for physical damage not excluded by this Policy.
- 3) physical loss or damage caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.



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This Policy does not provide coverage under this Extension for more than the number of consecutive days shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section.

D. LOGISTICS EXTRA COST

This Policy covers the extra cost incurred by the Insured during the PERIOD OF LIABILITY due to the disruption of the **normal** movement of goods or materials:

- 1) directly between insured **locations**; or
- 2) directly between an insured **location** and a **location** of a direct customer, supplier, contract manufacturer or contract service provider to the Insured,

provided that such disruption is a direct result of physical loss or damage of the type insured to property of the type insured located within the TERRITORY of this Policy.

Measurement of Loss:

The recoverable extra cost loss will be the reasonable and necessary extra costs incurred by the Insured of the following:

- 1) extra costs to temporarily continue as nearly **normal** as practicable the movement of goods or materials.

This Extension will apply when the PERIOD OF LIABILITY is in excess of 48 hours except 168 hours applies for **earth movement** and/or **flood** and/or **wind**.

LOGISTICS EXTRA COST Exclusions: As respects LOGISTICS EXTRA COST, the following additional exclusions apply:

This Policy does not insure:

- 1) any loss resulting from disruption in the movement of goods or materials between **contingent time element locations**.
- 2) any loss resulting from disruption of incoming or outgoing services consisting of electricity, gas, fuel, steam, water, refrigeration, sewerage and voice, data or video.
- 3) any loss of income.
- 4) costs that usually would have been incurred in conducting the business during the same period had there been no disruption of **normal** movement of goods or materials.
- 5) costs of permanent repair or replacement of property that has been damaged or destroyed.
- 6) any expense recoverable elsewhere in this Policy.



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- 7) any loss resulting from disruption caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.
- 8) any loss resulting from disruption caused by loss or damage from **earth movement** in California, in the **New Madrid Seismic Zone** or in the **Pacific Northwest Seismic Zone**.
- 9) any loss resulting from disruption caused by physical loss or damage to personal property of the Insured while in transit.

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of physical loss or damage causing the disruption of the **normal** movement of goods or materials directly between insured **locations**; or directly between the insured **location** and the **location** of the direct customer, supplier, contract manufacturer or contract service provider to the Insured, and
- 2) ending not later than:
 - a) when with due diligence and dispatch the **normal** movement of goods or materials directly between insured **locations**; or directly between the insured **location** and the **location** of the direct customer, supplier, contract manufacturer or contract service provider to the Insured could be resumed; or
 - b) the number of consecutive days shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section.

E. SERVICE INTERRUPTION TIME ELEMENT

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the period of service interruption at insured **locations** when the loss is caused by the interruption of incoming services consisting of electricity, gas, fuel, steam, water, refrigeration or from the lack of outgoing sewerage service by reason of any accidental event at the facilities of the supplier of such service located within this Policy's TERRITORY, that immediately prevents in whole or in part the delivery of such usable services.

This Extension will apply when the period of service interruption is in excess of 24 hours.

Additional General Provisions:

- 1) The Insured will immediately notify the suppliers of services of any interruption of such services.



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- 2) The Company will not be liable if the interruption of such services is caused directly or indirectly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services.

SERVICE INTERRUPTION TIME ELEMENT Exclusions: As respects SERVICE INTERRUPTION TIME ELEMENT, the following applies:

- 1) The exclusions in the EXCLUSIONS clause in the PROPERTY DAMAGE section do not apply except for:
 - a) A1, A2, A3, A6, B1, B2, and
 - b) B4 with respect to incoming or outgoing voice, data or video, and
 - c) D1 except with respect to fungus, mold or mildew.
- 2) The following additional exclusions apply:

As used above, the period of service interruption:

- 1) is the period starting with the time when an interruption of specified services happens; and ending when with due diligence and dispatch the service could be wholly restored and the **location** receiving the service could or would have resumed normal operations following the restorations of service under the same or equivalent physical and operating conditions as provided by the PERIOD OF LIABILITY clause in this section.
- 2) is limited to only those hours during which the Insured would or could have used service(s) if it had been available.
- 3) does not extend to include the interruption of operations caused by any reason other than interruption of the specified service(s).

ADDITIONAL TIME ELEMENT COVERAGE EXTENSIONS

A. ATTRACTION PROPERTY

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY directly resulting from physical loss or damage of the type insured to property of the type insured that attracts business to an insured **location** and is within 1 statute mile of the insured **location**.

ATTRACTION PROPERTY Exclusions: As respects ATTRACTION PROPERTY, the following additional exclusion applies:

This Policy does not insure loss resulting from:

- 1) physical loss or damage caused by or resulting from **terrorism**, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.



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The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of such physical damage; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section.

B. CRISIS MANAGEMENT

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY if an order of civil or military authority limits, restricts or prohibits partial or total access to an insured **location**, provided such order is a direct result of:

- 1) a violent crime, suicide, attempted suicide, or armed robbery; or
- 2) a death or bodily injury caused by a workplace accident;

at such insured **location**.

For the purposes of this Extension only, a workplace accident shall be considered a sudden, fortuitous event that happens during working hours and arises out of work performed in the course and the scope of employment.

This Extension of coverage will apply when the PERIOD OF LIABILITY is in excess of 4 hours.

CRISIS MANAGEMENT Exclusions: As respects CRISIS MANAGEMENT, the following additional exclusion applies:

This Policy excludes loss or damage directly or indirectly caused by or resulting from the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

- 1) **terrorism.**

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting with the time the civil or military authority prohibits access; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section.



C. DELAY IN STARTUP

GROSS EARNINGS or GROSS PROFIT and EXTRA EXPENSE are extended to cover the Actual Loss Sustained incurred by the Insured during the PERIOD OF LIABILITY due to the reasonable and necessary delay in startup of business operations directly resulting from physical loss or damage of the type insured to insured property under construction at an insured location.

D. EXTENDED PERIOD OF LIABILITY

The GROSS EARNINGS and RENTAL INSURANCE coverages are extended to cover the reduction in sales resulting from:

- 1) the interruption of business as covered by GROSS EARNINGS;
- 2) for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss happened; and
- 3) commencing with the date on which the liability of the Company for loss resulting from interruption of business would terminate if this Extension had not been included in this Policy.

However, this Extension does not apply to GROSS EARNINGS loss resulting from physical loss or damage caused by or resulting from **terrorism**.

EXTENDED PERIOD OF LIABILITY Exclusions: As respects EXTENDED PERIOD OF LIABILITY, the TIME ELEMENT EXCLUSIONS B of this section does not apply and the following applies instead:

This Policy does not insure against any increase in loss due to damages for breach of contract or for late or noncompletion of orders, or fines or penalties of any nature except fines or penalties for breach of contract or for late or noncompletion of orders.

Coverage under this Extension for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the extended period of liability.

Coverage under this Extension does not apply for more than the number of consecutive days shown in the LIMITS OF LIABILITY clause of the DECLARATIONS section.

E. INTERRUPTION BY COMMUNICABLE DISEASE

If a **location** owned, leased or rented by the Insured has the actual not suspected presence of communicable disease and access to such location is limited, restricted, or prohibited by:

- 1) an order of an authorized governmental agency regulating the actual not suspected presence of **communicable disease**; or



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- 2) a decision of an Officer of the Insured as a result of the actual not suspected presence of **communicable disease**.

this policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY at such **location** with the actual not suspected presence of **communicable disease**.

This Extension will apply when access to such **location** is limited, restricted, or prohibited in excess of 48 hours.

INTERRUPTION BY COMMUNICABLE DISEASE Exclusions: As respects **INTERRUPTION BY COMMUNICABLE DISEASE**, the following additional exclusions apply:

This Policy does not insure loss resulting from:

- 1) the enforcement of any law or ordinance with which the Insured was legally obligated to comply prior to the time of the actual spread of **communicable disease**.

The PERIOD OF LIABILITY for this TIME ELEMENT COVERAGE EXTENSION will be:

The period of time:

- 1) starting at the time of the order of the authorized governmental agency or the Officer of the Insured; but
- 2) not to exceed the time limit shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section,

this period of time is part of and not in addition to any PERIOD OF LIABILITY applying to any coverage provided in the TIME ELEMENT section.

F. ON PREMISES SERVICES

This Policy covers the Actual Loss Sustained and EXTRA EXPENSE incurred by the Insured during the PERIOD OF LIABILITY directly resulting from physical loss or damage of the type insured to the following property located within 1,000 feet/300 metres of the insured **location**:

- 1) Electrical equipment and equipment used for the transmission of voice, data or video.
- 2) Electrical, fuel, gas, water, steam, refrigeration, sewerage, voice, data or video transmission lines.



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G. PROTECTION AND PRESERVATION OF PROPERTY TIME ELEMENT

This Policy covers the Actual Loss Sustained by the Insured for a period of time not to exceed 48 hours prior to and 48 hours after the Insured first taking reasonable action for the temporary protection and preservation of property insured by this Policy provided such action is necessary to prevent immediately impending insured physical loss or damage to such insured property.

This Extension is subject to the deductible provisions that would have applied had the physical loss or damage happened.

H. RELATED REPORTED VALUES

If reported TIME ELEMENT values include:

- 1) **locations** used by the Insured (such as branch stores, sales outlets and other plants) but not listed on a schedule under this Policy; and
- 2) a TIME ELEMENT loss would result at such **locations**,
- 3) from insured physical loss or damage at an insured **location**,

then this Policy provides coverage for such resulting TIME ELEMENT loss in accordance with the coverage applicable at such insured **location**.

I. RESEARCH AND DEVELOPMENT

The GROSS EARNINGS and GROSS PROFIT coverages are extended to insure the Actual Loss Sustained by the Insured of continuing fixed charges and ordinary payroll directly attributable to the interruption of research and development activities that in themselves would not have produced income during the PERIOD OF LIABILITY.

The PERIOD OF LIABILITY for this Extension will be the period from the time of direct physical loss or damage of the type insured to the time when the property could be repaired or replaced and made ready for operations, but not to be limited by the date of expiration of this Policy.

J. SOFT COSTS

This Policy covers the Actual Loss Sustained incurred by the Insured of **soft costs** during the PERIOD OF LIABILITY arising out of the delay of completion of buildings and additions under construction directly resulting from physical loss or damage of the type insured to insured property under construction at an insured **location**.

K. MANAGEMENT FEES

This policy shall also cover the loss of fee income to an Insured as stipulated under a management and/or related services agreement between the Insured and another party which is not realizable due to loss, damage, or destruction covered herein during the term of this policy to locations managed by the Insured and covered under this policy.



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LOSS ADJUSTMENT AND SETTLEMENT

1. REQUIREMENTS IN CASE OF LOSS

The Insured will:

- 1) give immediate written notice to the Company of any loss.
- 2) protect the property from further loss or damage.
- 3) promptly separate the damaged and undamaged property; put it in the best possible order; and furnish a complete inventory of the lost, destroyed, damaged and undamaged property showing in detail the quantities, costs, **actual cash value**, replacement value and amount of loss claimed.
- 4) give a signed and sworn proof of loss to the Company within 90 days after the loss, unless that time is extended in writing by the Company. The proof of loss must state the knowledge and belief of the Insured as to:
 - a) the time and origin of the loss.
 - b) the Insured's interest and that of all others in the property.
 - c) the **actual cash value** and replacement value of each item and the amount of loss to each item; all encumbrances; and all other contracts of insurance, whether valid or not, covering any of the property.
 - d) any changes in the title, use, occupation, location, possession or exposures of the property since the effective date of this Policy.
 - e) by whom and for what purpose any **location** insured by this Policy was occupied on the date of loss, and whether or not it then stood on leased ground.
- 5) include a copy of all the descriptions and schedules in all policies and, if required, provide verified plans and specifications of any buildings, fixtures, machinery or equipment destroyed or damaged.
- 6) further, the Insured, will as often as may be reasonably required:
 - a) exhibit to any person designated by the Company all that remains of any property;
 - b) submit to examination under oath by any person designated by the Company and sign the written records of examinations; and
 - c) produce for examination at the request of the Company:
 - (i) all books of accounts, business records, bills, invoices and other vouchers; or
 - (ii) certified copies if originals are lost,



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at such reasonable times and places that may be designated by the Company or its representative and permit extracts and machine copies to be made.

2. CURRENCY FOR LOSS PAYMENT

Losses will be adjusted and paid in the currency of the United States of America, except in Canada where losses will be paid in Canadian currency, unless directed otherwise by the Insured.

In the event of a loss adjustment involving currency conversion, the exchange selling rate will be calculated as follows:

- A. As respects the calculation of deductibles and limits of liability, the rate of exchange published in The Wall Street Journal on the date of loss.
- B. As respects loss or damage to insured real and personal property:
 - 1) the cost to repair or replace such property will be converted at the time the cost of repair or replacement is incurred based on the rate of exchange published in The Wall Street Journal.
 - 2) if such property is not replaced or repaired, the conversion will be based on the rate of exchange published in The Wall Street Journal as of the date of loss.
- C. As respects TIME ELEMENT loss the conversion will be based on the average of the rate of exchange published in The Wall Street Journal on the date of loss and the rate of exchange published in The Wall Street Journal on the last day of the Period of Liability.

If The Wall Street Journal was not published on the stipulated date, the rate of exchange will be as published on the next business day.

3. PARTIAL PAYMENT OF LOSS SETTLEMENT

In the event of insured physical loss or damage determined by the Company's representatives to be in excess of the applicable Policy deductible, the Company will advance mutually agreed upon partial payment(s), subject to the Policy's provisions. To obtain such partial payments, the Insured will submit a signed and sworn Proof of Loss as described in this Policy, with adequate supporting documentation.

4. COLLECTION FROM OTHERS

The Company will not be liable for any loss to the extent that the Insured has collected for such loss from others.

5. SUBROGATION

The Insured is required to cooperate in any subrogation proceedings. The Company may require from the Insured an assignment or other transfer of all rights of recovery against any party for loss to the extent of the Company's payment.



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The Company will not acquire any rights of recovery that the Insured has expressly waived prior to a loss, nor will such waiver affect the Insured's rights under this Policy.

Any recovery from subrogation proceedings, less costs incurred by the Company in such proceedings, will be payable to the Insured in the proportion that the amount of:

- 1) any applicable deductible; and/or
- 2) any provable uninsured loss,

bears to the entire provable loss amount.

6. COMPANY OPTION

The Company has the option to take all or any part of damaged property at the agreed or appraised value. The Company must give notice to the Insured of its intention to do so within 30 days after receipt of Proof of Loss.

7. ABANDONMENT

There may be no abandonment of any property to the Company.

8. APPRAISAL

If the Insured and the Company fail to agree on the amount of loss, each will, on the written demand of either, select a competent and disinterested appraiser after:

- 1) the Insured has fully complied with all provisions of this Policy, including REQUIREMENTS IN CASE OF LOSS; and
- 2) the Company has received a signed and sworn Proof of Loss from the Insured.

Each will notify the other of the appraiser selected within 20 days of such demand.

The appraisers will first select a competent and disinterested umpire. If the appraisers fail to agree upon an umpire within 30 days then, on the request of the Insured or the Company, the umpire will be selected by a judge of a court of record in the jurisdiction in which the appraisal is pending. The appraisers will then appraise the amount of loss, stating separately the **actual cash value** and replacement cost value as of the date of loss and the amount of loss, for each item of physical loss or damage or if, for TIME ELEMENT loss, the amount of loss for each TIME ELEMENT coverage of this Policy.

If the appraisers fail to agree, they will submit their differences to the umpire. An award agreed to in writing by any two will determine the amount of loss.

The Insured and the Company will each:

- 1) pay its chosen appraiser; and



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- 2) bear equally the other expenses of the appraisal and umpire.

A demand for APPRAISAL shall not relieve the Insured of its continuing obligation to comply with the terms and conditions of this Policy, including as provided under REQUIREMENTS IN CASE OF LOSS.

The Company will not be held to have waived any of its rights by any act relating to appraisal.

9. SUIT AGAINST THE COMPANY

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless:

- 1) the Insured has fully complied with all the provisions of this Policy; and
- 2) legal action is started within eighteen months after inception of the loss.

If under the insurance laws of the jurisdiction in which the property is located, such eighteen months' limitation is invalid, then any such legal action must be started within the shortest limit of time permitted by such laws.

10. SETTLEMENT OF CLAIMS

The amount of loss for which the Company may be liable will be paid within 30 days after:

- A. proof of loss as described in this Policy is received by the Company; and
- B. when a resolution of the amount of loss is made either by:
 - 1) written agreement between the Insured and the Company; or
 - 3) the filing with the Company of an award as provided in the APPRAISAL clause of this section.

11. ASSIGNED LOSS ADJUSTER

McLarens Young International – Mr. George Wasielke



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GENERAL PROVISIONS

1. CANCELLATION/NON-RENEWAL

This Policy may be:

- A. cancelled at any time at the request of the Insured by surrendering this Policy to the Company or by giving written notice to the Company stating when such cancellation will take effect; or
- B. cancelled by the Company by giving the Insured not less than:
 - 1) 90 days' written notice of cancellation; or
 - 2) 10 days' written notice of cancellation if the Insured fails to remit, when due, payment of premium for this Policy; or
- C. non-renewed by the Company by giving the Insured not less than 60 days' written notice of non-renewal.

Return of any unearned premium will be calculated on the customary short rate basis if the Insured cancels and on a pro-rata basis if the Company cancels this Policy. Return of any unearned premium will be made by the Company as soon as practicable.

2. INSPECTIONS

The Company, at all reasonable times, will be permitted, but will not have the duty, to inspect insured property. The Company does not address life, safety or health issues.

The Company's:

- A. right to make inspections;
- B. making of inspections; or
- C. providing recommendations or other information in connection with any inspections,

will not constitute an undertaking, on behalf of or for the benefit of the Insured or others. The Company will have no liability to the Insured or any other person because of any inspection or failure to inspect.

When the Company is not providing jurisdictional inspections, the Owner/Operator has the responsibility to assure that jurisdictional inspections are performed as required, and to assure that required jurisdictional Operating Certificates are current for their pressure equipment.

3. PROVISIONS APPLICABLE TO SPECIFIC JURISDICTIONS

- A. If the provisions of this Policy conflict with the laws of any jurisdictions in which this Policy applies, and if certain provisions are required by law to be stated in this Policy, this Policy



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will be read so as to eliminate such conflict or deemed to include such provisions for insured **locations** within such jurisdictions.

- B. The Company will provide to the Insured copies of endorsements mandated for use by the laws of provinces in Canada. The endorsements modify this Policy with respect to any insured property located in the province in which the endorsement applies.
- C. The Company will provide to the Insured copies of endorsements mandated for use by the laws of states in the United States of America. The endorsements modify this Policy with respect to any insured property located in the state in which the endorsement applies.

4. LIBERALIZATION

If during the period that insurance is in force under this Policy, any filed rules or regulations affecting the same are revised by statute so as to broaden the insurance without additional premium charge, such extended or broadened insurance will inure to the benefit of the Insured within such jurisdiction, effective the date of the change specified in such statute.

5. MISREPRESENTATION AND FRAUD

This entire Policy will be void if, whether before or after a loss, an Insured has:

- A. willfully concealed or misrepresented any material fact or circumstance concerning this insurance, the subject thereof, any insurance claim, or the interest of an Insured.
- B. made any attempt to defraud the Company.
- C. made any false swearing.

Except for material facts or circumstances known to the person or persons signing the Application, no statement in the Application of knowledge or information possessed by an Insured shall be imputed to any other Insured for the purpose of determining the availability of coverage.

6. LENDERS LOSS PAYEE AND MORTGAGEE INTERESTS AND OBLIGATIONS

- A. The Company will pay for loss to specified property insured under this Policy to each specified Lender Loss Payee (hereinafter referred to as Lender) as its interest may appear, and to each specified Mortgagee as its interest may appear, under all present or future mortgages upon such property, in order of precedence of the mortgages.
- B. The interest of the Lender or Mortgagee (as the case may be) in property insured under this Policy will not be invalidated by:
 - 1) any act or neglect of the debtor, mortgagor, or owner (as the case may be) of the property.
 - 2) foreclosure, notice of sale, or similar proceedings with respect to the property.
 - 3) change in the title or ownership of the property.



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- 4) change to a more hazardous occupancy.

The Lender or Mortgagee will notify the Company of any known change in ownership, occupancy, or hazard and, within 10 days of written request by the Company, may pay the increased premium associated with such known change. If the Lender or Mortgagee fails to pay the increased premium, all coverage under this Policy will cease.

- C. If this Policy is cancelled at the request of the Insured or its agent, the coverage for the interest of the Lender or Mortgagee will terminate 10 days after the Company sends to the Lender or Mortgagee written notice of cancellation, unless:
 - 1) sooner terminated by authorization, consent, approval, acceptance, or ratification of the Insured's action by the Lender or Mortgagee, or its agent.
 - 2) this Policy is replaced by the Insured, with a policy providing coverage for the interest of the Lender or Mortgagee, in which event coverage under this Policy with respect to such interest will terminate as of the effective date of the replacement policy, notwithstanding any other provision of this Policy.
- D. The Company may cancel this Policy and/or the interest of the Lender or Mortgagee under this Policy, by giving the Lender or Mortgagee written notice 60 days prior to the effective date of cancellation, if cancellation is for any reason other than non-payment. If the debtor, mortgagor, or owner has failed to pay any premium due under this Policy, the Company may cancel this Policy for such non-payment, but will give the Lender or Mortgagee written notice 10 days prior to the effective date of cancellation. If the Lender or Mortgagee fails to pay the premium due by the specified cancellation date, all coverage under this Policy will cease.
- E. The Company has the right to invoke this Policy's SUSPENSION clause. The suspension of insurance will apply to the interest of the Lender or Mortgagee in any machine, vessel, or part of any machine or vessel, subject to the suspension. The Company will provide the Lender or Mortgagee at the last known address a copy of the suspension notice.
- F. If the Company pays the Lender or Mortgagee for any loss, and denies payment to the debtor, mortgagor or owner, the Company will, to the extent of the payment made to the Lender or Mortgagee be subrogated to the rights of the Lender or Mortgagee under all securities held as collateral to the debt or mortgage. No subrogation will impair the right of the Lender or Mortgagee to sue or recover the full amount of its claim. At its option, the Company may pay to the Lender or Mortgagee the whole principal due on the debt or mortgage plus any accrued interest. In this event, all rights and securities will be assigned and transferred from the Lender or Mortgagee to the Company, and the remaining debt or mortgage will be paid to the Company.
- G. If the Insured fails to render proof of loss, the Lender or Mortgagee, upon notice of the Insured's failure to do so, will render proof of loss within 60 days of notice and will be subject to the provisions of this Policy relating to APPRAISAL, SETTLEMENT OF CLAIMS, and SUIT AGAINST THE COMPANY.



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- H. Other provisions relating to the interests and obligations of the Lender or Mortgagee may be added to this Policy by agreement in writing.

7. EVIDENCE OF INSURANCE

A. Certificates of Insurance

Any certificate of insurance issued in connection with this Policy shall be issued solely as a matter of convenience or information for the addressee(s) or holder(s) of said certificate of insurance, except where any additional insured(s), loss payee(s), or mortgagee(s) are named pursuant to the Special Provisions of said certificate of insurance. In the event any additional insured(s), loss payee(s), or mortgagee(s) are so named, this Policy shall be deemed to have been endorsed accordingly subject to all other terms, conditions and exclusions stated herein.

- B. 1) The existence of more than one Insured, additional insured or other interests shall not serve to increase the Program Limits of Liability of the Policy.
- 2) The Company hereby authorizes **Rampart Brokerage Corp.** to issue any Certificate of Insurance and to display Memoranda of Insurance, including any Mortgagee or Loss Payee Clauses consistent with the foregoing.

8. OTHER INSURANCE

- A. If there is any other insurance that would apply in the absence of this Policy, this Policy will apply only after such insurance whether collectible or not.
- B. In no event will this Policy apply as contributing insurance.
- C. The Insured is permitted to have other insurance over any limits or sublimits of liability specified elsewhere in this Policy without prejudice to this Policy. The existence of any such insurance will not reduce any limit or sublimit of liability in this Policy. Any other insurance that would have provided primary coverage in the absence of this Policy will not be considered excess.
- D. The Insured is permitted to have other insurance for all, or any part, of any deductible in this Policy. The existence of such other insurance will not prejudice recovery under this Policy. If the limits of liability of such other insurance are greater than this Policy's applicable deductible, this Policy's insurance will apply only after such other insurance has been exhausted.
- E. If this Policy is deemed to contribute with other insurance, the limit of liability applicable at each **location**, for the purposes of such contribution with other insurers, will be the latest amount described in this Policy or the latest **location** value on file with the Company.



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9. PRIORITY OF PAYMENTS – applicable to Excess Insurance/Layers

- (1) In determining the amount of any direct physical loss, damage, or destruction for which this **Policy** is excess, the total loss for all coverages caused by any combination of perils, one or more of which is insured against under the primary/underlying excess **Policy(ies)**, shall be used even though all such perils or coverages *are not insured against under this excess Policy*.
- (2) Any recoveries made under the primary/underlying excess **Policy(ies)** shall be considered as first applying to those perils and/or property and/or coverages not insured against by this **Policy**. Upon exhaustion of the primary/underlying excess **Policy** limits, this **Policy** shall be liable for the loss in excess of the amount attributable to the primary/underlying excess **Policy(ies)** with respect to those perils and/or coverages and/or property insured hereunder, subject to the limit(s) of this **Policy**.

10. POLICY MODIFICATION

This **Policy** contains all of the agreements between the Insured and the Company concerning this insurance. The Insured and the Company may request changes to this **Policy**. This **Policy** can be changed only by endorsements issued by the Company and made a part of this **Policy**.

Notice to any agent or knowledge possessed by any agent or by any other person will not:

- A. create a waiver, or change any part of this **Policy**; or
- B. prevent the Company from asserting any rights under the provisions of this **Policy**.

11. REDUCTION BY LOSS

Claims paid under this **Policy** will not reduce its limit of liability, except claims paid will reduce any **aggregate during any policy year** limit.

12. SUSPENSION

On discovery of a dangerous condition, the Company may suspend this insurance on any machine, vessel or part thereof by giving fifteen (15) days written notice to the Insured. The suspended insurance may be reinstated by the Company. Any unearned premium resulting from such suspension will be returned by the Company.

13. TITLES

The titles in this **Policy** are only for reference. The titles do not in any way affect the provisions of this **Policy**.

14. ASSIGNMENT

Assignment of this **Policy** will not be valid except with the written consent of the Company.



15. DEFINITIONS

The following terms when appearing in **boldface** in this Policy mean:

actual cash value:

the amount it would cost to repair or replace insured property, on the date of loss, with material of like kind and quality, with proper deduction for obsolescence and physical depreciation.

aggregate during any policy year:

the Company's maximum amount payable during any policy year.

communicable disease:

disease which is:

- A. transmissible from human to human by direct or indirect contact with an affected individual or the individual's discharges, or
- B. Legionellosis.

contaminant:

anything that causes **contamination**.

contamination:

any condition of property due to the actual or suspected presence of any foreign substance, impurity, pollutant, hazardous material, poison, toxin, pathogen or pathogenic organism, bacteria, virus, disease causing or illness causing agent, fungus, mold or mildew.

contingent time element location:

A. any **location**:

- 1) of a direct customer, supplier, contract manufacturer or contract service provider to the Insured;
- 2) of any company under a royalty, licensing fee or commission agreement with the Insured;

B. any **location** of a company that is a direct or indirect customer, supplier, contract manufacturer or contract service provider to a **location** described in A1 above,

not including **locations** of any company directly or indirectly supplying to, or receiving from, the Insured, electricity, fuel, gas, water, steam, refrigeration, sewage, voice, data or video.

date or time recognition:

the recognition, interpretation, calculation, comparison, differentiation, sequencing, accessing or processing of data involving one or more dates or times, including the Year 2000.

earth movement:

any natural or man-made earth movement including, but not limited to earthquake or landslide, regardless of any other cause or event contributing concurrently or in any other sequence of loss.



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However, physical loss or damage by fire, explosion, sprinkler leakage, or **flood** resulting from **earth movement** will not be considered to be loss by **earth movement** within the terms and conditions of this Policy.

electronic data processing equipment or media:

any computer, computer system or component, hardware, network, microprocessor, microchip, integrated circuit or similar devices or components in computer or non-computer equipment, operating systems, data, programs or other software stored on electronic, electro-mechanical, electro-magnetic data processing or production equipment, whether the property of the Insured or not.

fine arts:

paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, money, securities.

flood:

flood; surface waters; rising waters; storm surge, sea surge, wave wash; waves; tsunami; tide or tidal water; the release of water, the rising, overflowing or breaking of boundaries of natural or man-made bodies of water; or the spray therefrom; all whether driven by wind or not; or sewer back-up resulting from any of the foregoing; regardless of any other cause or event, whether natural or man-made, contributing concurrently or in any other sequence of loss. Physical loss or damage from **flood** associated with a storm or weather disturbance whether or not identified by name by any meteorological authority, is considered to be **flood** within the terms of this Policy. However, physical loss or damage by fire, explosion or sprinkler leakage resulting from **flood** is not considered to be loss by **flood** within the terms and conditions of this Policy.

Great Britain:

England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man nor the Channel Islands.

high hazard zones for earth movement:

Alaska, California, Hawaii, Nevada,

irreplaceable:

an item which cannot be replaced with other of like kind and quality.

location:

A. as specified in the Schedule of Locations, or

B. if not so specified in the Schedule of Locations:

- 1) a building, yard, dock, wharf, pier or bulkhead (or any group of the foregoing),
 - a) bounded on all sides by public streets, clear land space or open waterways, each not less than 50 feet/15 metres wide. Any bridge or tunnel crossing such street, space or waterway will render such separation inoperative for the purpose of this definition.



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New Madrid Seismic Zone:

Arkansas, United States of America, counties of:

Arkansas, Ashley, Chicot, Clay, Craighead, Crittenden, Cross, Desha, Drew, Fulton, Grant, Greene, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Mississippi, Monroe, Phillips, Poinsett, Prairie, Pulaski, Randolph, Saline, Sharp, St. Francis, White, Woodruff

Illinois, United States of America, counties of:

Alexander, Bond, Calhoun, Christian, Clark, Clay, Clinton, Coles, Crawford, Cumberland, Edwards, Effingham, Fayette, Franklin, Gallatin, Greene, Hamilton, Hardin, Jackson, Jasper, Jefferson, Jersey, Johnson, Lawrence, Macoupin, Madison, Marion, Massac, Monroe, Montgomery, Morgan, Perry, Pike, Pope, Pulaski, Randolph, Richland, Saline, Sangamon, Scott, Shelby, St. Clair, Union, Wabash, Washington, Wayne, White, Williamson

Indiana, United States of America, counties of:

Crawford, Daviess, Dubois, Gibson, Greene, Knox, Lawrence, Martin, Orange, Perry, Pike, Posey, Spencer, Sullivan, Vanderburgh, Warrick

Kentucky, United States of America, counties of:

Ballard, Breckinridge, Butler, Caldwell, Calloway, Carlisle, Christian, Crittenden, Daviess, Fulton, Graves, Hancock, Henderson, Hickman, Hopkins, Livingston, Logan, Lyon, Marshall, McCracken, McLean, Muhlenberg, Ohio, Simpson, Todd, Trigg, Union, Warren, Webster

Mississippi, United States of America, counties of:

Alcorn, Benton, Bolivar, Calhoun, Carroll, Chickasaw, Choctaw, Clay, Coahoma, De Soto, Grenada, Holmes, Humphreys, Issaquena, Itawamba, Lafayette, Lee, Leflore, Lowndes, Marshall, Monroe, Montgomery, Oktibbeha, Panola, Pontotoc, Prentiss, Quitman, Sharkey, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Tunica, Union, Warren, Washington, Webster, Yalobusha, Yazoo

Missouri, United States of America, counties of:

Audrain, Bollinger, Butler, Callaway, Cape Girardeau, Carter, Cole, Crawford, Dent, Dunklin, Franklin, Gasconade, Howell, Iron, Jefferson, Lincoln, Madison, Maries, Marion, Miller, Mississippi, Montgomery, New Madrid, Oregon, Osage, Pemiscot, Perry, Phelps, Pike, Pulaski, Ralls, Reynolds, Ripley, Scott, Shannon, St. Charles, St. Francois, St. Louis, St. Louis City, Ste. Genevieve, Stoddard, Texas, Warren, Washington, Wayne

Tennessee, United States of America, counties of:

Benton, Carroll, Cheatham, Chester, Crockett, Decatur, Dickson, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Hickman, Houston, Humphreys, Lake, Lauderdale, Lawrence, Lewis, Madison, McNairy, Montgomery, Obion, Perry, Robertson, Shelby, Stewart, Tipton, Wayne, Weakley

normal:

the condition that would have existed had no physical loss or damage happened.

normal cost:

the cost associated with the movement of goods or materials suffering the disruption that the Insured would have incurred had no physical loss or damage causing disruption happened.



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occurrence:

the sum total of all loss or damage of the type insured, including any insured TIME ELEMENT loss, arising out of or caused by one discrete event of physical loss or damage, except as respects the following:

- A. **terrorism:** **occurrence** shall mean the sum total of all loss or damage of the type insured, including any insured TIME ELEMENT loss, arising out of or caused by all acts of **terrorism** during a continuous period of seventy-two (72) hours.
- B. **earth movement:** **occurrence** shall mean the sum total of all loss or damage of the type insured, including any insured TIME ELEMENT loss, arising out of or caused by all **earth movement(s)** during a continuous period of one hundred sixty-eight (168) hours.
- C. **wind / Named Storm:** **occurrence** shall mean the sum total of all loss or damage of the type insured, including any insured TIME ELEMENT loss, arising out of or caused by all **wind/ Named Storm** during a continuous period of seventy-two (72) hours.

off-premises data processing or data transmission services:

the storage or processing of the Insured's data performed off-premises of the Insured's property, including the transmission of voice, data or video over a single, or combination of, computer or communication networks.

Pacific Northwest Seismic Zone:

Oregon, United States of America, counties of:

Benton, Clackamas, Clatsop, Columbia, Coos, Curry, Douglas, Hood River, Jackson, Josephine, Klamath, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Washington, Yamhill

Washington, United States of America, counties of:

Chelan, Clallam, Clark, Cowlitz, Grays Harbor, Island, Jefferson, King, Kitsap, Kittitas, Lewis, Mason, Pacific, Pierce, San Juan, Skagit, Skamania, Snohomish, Thurston, Wahkiakum, Whatcom

British Columbia (includes Vancouver Island), Canada:

South of 50° N latitude and west of 120° W longitude

period of operational testing:

the period of time beginning 24 hours prior to the earlier of the following:

- A. introduction, into a system, of feedstock or other materials for processing or handling;
- B. commencement of fuel or energy supply to a system,

and ending with the earlier of the following:

- A. the expiration date or cancellation date of this Policy.
- B. if specified, the number of consecutive days shown in the LIMITS OF LIABILITY clause in the DECLARATIONS section.

physical loss or damage to electronic data, programs or software:

the destruction, distortion or corruption of electronic data, programs or software.



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representative company(ies):

Sompo America Insurance Company

Special Flood Hazard Area as defined by the Federal Emergency Management Agency (FEMA) means the area where the National Flood Insurance Program's floodplain management regulations must be enforced and the area where the mandatory purchase of flood insurance applies. The **Special Flood Hazard Area** includes Zones A, AO, AH, A1-30, AE, A99, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, VO, V1-30, VE and V. However, if FEMA's definition of **Special Flood Hazard Area** at the time of the loss or damage has been amended from the preceding definition, then the amended definition shall apply.

soft costs:

costs over and above those that are **normal** at an insured **location** undergoing renovation or in the course of construction, limited to the following:

- A. construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.
- B. commitment fees, leasing and marketing expenses - the cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).
- C. additional fees for architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.
- D. property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.

terrorism:

any act, involving the use or threat of: force, violence, dangerous conduct, interference with the operations of any business, government or other organization or institution, or any similar act,

when the effect or apparent purpose is:

- A. to influence or instill fear in any government (de jure or de facto) or the public, or any segment of either; or
- B. to further or to express support for, or opposition to, any political, religious, social, ideological or similar type of objective or position.

transmission and distribution systems:

transmission and distribution systems including but not limited to electricity, gas, fuel, steam, water, refrigeration, sewerage, voice, data, and video. Such systems shall include poles, towers and fixtures, overhead conductors and devices, underground and underwater conduit, underground and



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underwater conductors and devices, line transformers, service meters, street lighting and signal systems.

valuable papers and records:

written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, all of which must be of value to the Insured.

wind:

direct action of wind including substance driven by wind. **Wind** does not mean or include anything defined as **flood** in this Policy.



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Addendum A – Tier 1 Wind Counties

Alabama: Baldwin, Mobile

Florida: Entire State

Georgia: Bryan, Camden, Chatham, Glynn, Liberty, McIntosh

Hawaii: Entire State

Louisiana: Ascension, Assumption, Cameron, Iberia, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John Baptist, St. Mary, St. Tammany, St. Martin, Terrebonne, Washington, Vermilion

Mississippi: Hancock, Harrison, Jackson

North Carolina: Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Craven, Currituck, Dare, Gates, Hyde, Jones, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrell, Washington

South Carolina: Beaufort, Berkeley, Charleston, Colleton, Georgetown, Horry, Jasper

Texas: Aransas, Brazoria, Calhoun, Cameron, Chambers, Fort Bend, Galveston, Harris, Jackson, Jefferson, Kennedy, Kleberg, Liberty, Matagorda, Nueces, Orange, Refugio, San Patricio, Victoria, Willacy

Virginia: Accomack, Chesapeake, Gloucester, Hampton, Isle of Wright, James City, Lancaster, Matthews, Middlesex, Newport News, Norfolk, Northhampton, Northumberland, Poquoson, Portsmouth, Suffolk, Surry, Virginia Beach, Westmoreland, Williamsburg, York

Named Insured: WeWork Inc. **Policy Number:** FTMS1037L0
Endorsement Effective Date: 11/01/2020 **Endorsement Number:** N/A
(12:01 AM Standard Time at the address of the Named Insured as shown in the Declarations)

CONTROLLED MASTER PROGRAM EXTENSION FOR PROPERTY (DIFFERENCE IN CONDITIONS AND DIFFERENCE IN LIMITS)

Where indicated with an "X", this extension modifies insurance provided under the following:

If being modified, Indicate with an "X"	Form Title	Specific Ancillary Coverage(s) Or Other Terms And Conditions That Do Not Apply To The Insurance Afforded Under This Endorsement
X	Commercial Property Coverage	The following Conditions or any similarly titled condition: Conformance To Statute; Jurisdictional Inspection; Liberalization; Mortgage Holders; Other Insurance or Lenders/Loss Payees, do not apply to the insurance afforded under this endorsement.

SCHEDULE

Excluded Jurisdiction(s):	Not Applicable
Earthquake In Japan Exclusion – Exception For Scheduled Perils	Not Applicable
Neighbors And Tenants Liability Aggregate Limit Of Insurance	\$2,000,000 (Same limit should be mentioned on Foreign Policy)
Tax Liability Aggregate Limit of Insurance:	\$5,000,000 (Same limit should be mentioned on Foreign Policy)
Credit For Controlled Local Policy Deductible Or Retention:	Not Applicable

It is agreed that the insurance afforded under this Controlled Insurance Program Extension applies only to the insurance afforded by the Forms indicated above and only outside the United States of America, including its possessions and territories, or Puerto Rico or any country or jurisdiction shown as an Excluded Jurisdiction shown in the Schedule. The following revisions and additions apply only with respect to the insurance afforded under this Controlled Insurance Program Extension. In the event of any conflict between the terms and conditions of this endorsement and the terms and conditions of the Forms indicated above with respect to the insurance afforded under this endorsement, the terms and conditions of this endorsement shall apply.

I. The policy is amended to add the following:

A. Controlled Insurance Program

This policy is the Master Policy of the “controlled insurance program”. Subject to all of the terms and conditions of this policy, this policy is primary insurance unless paragraphs B. and C. below apply to provide difference-in-condition and difference-in-limits coverage over all “controlled local policies” in the “controlled insurance program”.

B. Difference In Conditions Coverage

If any terms and conditions of this policy, including “coinsurance deficiency” or “currency devaluation”, would result in broader coverage for the insureds than the terms in any “controlled local policy”, then the terms and conditions of this policy shall apply that are more favorable to the insured to any claim made against, or loss or liability incurred by, any insured under the “controlled local policy”, subject to the applicable Limits of Insurance of this policy. This provision does not apply to any part of loss or damage to which a “controlled local policy”, by its terms and conditions, would apply regardless of whether or not the “controlled local policy” is available or whether the applicable limits of insurance of such “controlled local policy” is eroded.

C. Difference In Limits Coverage

If a “controlled local policy” is exhausted by payment of loss or damage covered thereunder, then this policy shall pay such covered loss or damage in excess of such “controlled local policy”, including any deductible or retention under the “controlled local policy”, subject to the applicable Limits of Insurance of this policy. This provision does not apply to any part of loss or damage within the limits of insurance of such “controlled local policy” regardless of whether the “controlled local policy” is available or collectible.

D. As a condition precedent to the insurance afforded under this endorsement, the Named Insured hereby agrees that in the event any payments are made in excess of any applicable aggregate limit of insurance, or any sublimit as set forth in this policy or any “controlled local policy”, then the Named Insured shall return to us the full amount paid in excess of such limit within sixty (60) days from the date the Named Insured's chief executive officer, chief financial officer, in-house general counsel, or the functional equivalent becomes aware of the overpayment, or the date on which we notify the Named Insured of the overpayment, whichever is earlier.

II. The following Additional Coverages are added:

A. Neighbors And Tenants Liability

We will pay for the loss or damage you become legally obligated to pay by reason of liability imposed by the articles of the Napoleonic code or similar civil or commercial codes because of damage for which you are liable:

1. As a tenant;
2. When the consequences of such damage spread from your premises to the premises of neighbors and co-tenants; or
3. As landlord, as a result of construction defects or lack of maintenance;

not to exceed the Neighbors And Tenants Liability Aggregate Limit Of Insurance shown in the Schedule.

Only as respects Neighbors And Tenants Liability Additional Coverage and except for the Limits Of Insurance:

1. If you have any other neighbors and tenants liability insurance that is “admitted insurance”, then the terms and conditions of such insurance are made part of this insurance; or
2. If you do not have any other neighbors and tenants liability insurance or you have other neighbors and tenants liability insurance that is “non-admitted insurance”, then the terms and conditions of the neighbors and tenants liability insurance that is “admitted insurance” in the jurisdiction where the loss or damage occurs, are made part of this insurance.

The Neighbors And Tenants Aggregate Limit Of Insurance shown in the Schedule will continue to apply exclusively, even if the compulsory limits of insurance for neighbors and tenants liability insurance would be greater than those available under this insurance.

B. Tax Liability

In the event that a loss covered under this policy cannot be paid in the country where the loss has occurred, we shall pay the first Named Insured as an additional loss payment the amount necessary to offset any additional tax liability:

1. Resulting from the imposition of a local tax on income payable by the first Named Insured in the country where the adverse tax liability is incurred; and
2. Which accrues because the loss payment was paid in a country other than the country of loss;

not to exceed the Tax Liability Limit Of Insurance shown in the Schedule.

The tax rates applicable in computing the additional loss payment shall be the difference in the respective rates used by the applicable authorities in calculating the final tax liability incurred for the tax reporting year that the loss payment is recorded.

We will only be liable for the minimum tax liability amount possible.

III. The following additional Exclusions are added to the policy:

1. Earthquake In Japan

This insurance does not apply to loss or damage caused by or resulting from earthquake that occurs in Japan, including its territorial waters, regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage.

This exclusion does not apply to ensuing loss or damage caused by or resulting from a peril shown in the Schedule under Earthquake In Japan Exclusion - Exception For Scheduled Perils.

2. Loss Advantage

This insurance does not apply to loss or damage sustained by one insured to the advantage of any other insured.

3. Prohibited Or Illegal Goods

This insurance does not apply to loss or damage to contraband or other property in the course of illegal transportation or trade.

4. Terrorism – Other Than United Kingdom

This insurance does not apply to loss or damage caused by or resulting from any actual or attempted violent act or an act that is dangerous to human life, property, economy or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce, influence or intimidate a civilian population, or to influence the policy or affect the conduct of any government by coercion, or disrupt any segment of any economy and the act is declared by any governmental authority (whether de jure or de facto) to be or to involve terrorism or terroristic conduct. This exclusion applies regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage.

This exclusion does not apply to loss or damage that occurs in the United Kingdom.

5. Terrorism – United Kingdom

This insurance does not apply to loss or damage caused by or resulting from any actual or attempted violent act or an act that is dangerous to human life, property, economy or infrastructure that is committed in the United Kingdom (including any act insured by the Pool Reinsurance Company Limited) by an individual or individuals and that appears to be part of an effort to coerce, influence or intimidate a civilian population, or to influence the policy or affect the conduct of any government by coercion, or disrupt any segment of any economy and the act is declared by any governmental authority (whether de jure or de facto) to be or to involve terrorism or terroristic conduct. This exclusion applies regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage.

IV. The Limits of Insurance section of the policy is amended to add the following:

- A. Any payments for covered loss or damage made under this insurance or any “controlled local policies” will reduce the amount of the applicable Limit Of Insurance of this policy.
 - B. If any coverage provided by a “controlled local policy” is subject to a sublimit, and the sublimit applicable to such coverage is exhausted, then coverage hereunder shall not apply to any loss or damage that is subject to such sublimit.
 - C. The Neighbors And Tenants Liability Aggregate Limit Of Insurance shown in the Schedule is the most that we will pay under this insurance for all covered loss or damage under the Neighbors And Tenants Liability Additional Coverage for the policy period.
 - D. The Tax Liability Aggregate Limit Of Insurance shown in the Schedule is the most that we will pay under this insurance for all covered loss under the Tax Liability Additional Coverage for the policy period.
 - E. Unless a Credit For A “Controlled Local Policy” Deductible Or Retention is indicated in the Schedule as “not applicable,” then in the event the Insured has satisfied a retention or deductible under a “controlled local policy” with respect to a claim that is also covered under this policy, then any amounts paid in satisfaction of such retention or deductible shall satisfy the retention or deductible applicable to such claim under this policy.
- V. The following Loss Limitation is added to the policy:

Tax Liability

The loss payment under the Tax Liability Additional Coverage will be determined and paid only:

- 1. After the completion of the audited tax periods of the first Named Insured and the insured incurring the loss;
- 2. If the first Named Insured and such insured cooperate with us in making every reasonable and legally compliant effort to mitigate any tax liability payable under this provision; and
- 3. In addition to any other duty under the Insured’s Duties In The Event Of Loss Or Damage or similarly titled provision, if we are provided with the records, reports or other information necessary for us to make a determination of tax liability under this provision.

Such loss payment will be reduced by all tax credits or tax relief entitled to, or received by the first Named Insured or the insured with respect to the loss.

- VI. The following additional conditions are added to the policy:

A. Joint Duties In Non-Admitted Jurisdictions

For covered loss or damage that arises in a “non-admitted jurisdiction”, we will consult with you.

You must:

- 1. Make any such investigation, defense or settlement as we deem reasonable;
- 2. Accept a settlement from us for covered loss or damage; and

3. Effect payments to others that we approve.

We retain the right to assume control of any investigation, defense, settlement or recovery proceedings. You have the duty to cooperate with us in these proceedings.

In the event loss or damage occurs in a “non-admitted jurisdiction” and an appraisal is needed, the court having jurisdiction for the selection of an umpire must be a court in the state or province where you maintain your headquarters in the United States of America or Puerto Rico.

We will reimburse, or at our option, advance funds to, you for our portion of the costs of investigation (including appraisals of covered property), defense or settlement that are approved by us for covered loss or damage in a jurisdiction that is mutually acceptable.

B. Maintenance Of Compulsory Admitted Insurance And Local Policies

1. This insurance is not a substitute for any “compulsory admitted insurance” regardless of whether this insurance would otherwise be accepted or qualify as “compulsory admitted insurance” in any jurisdiction.
2. We have issued this insurance in reliance upon representations made by you or on your behalf about the issuance of any “controlled local policies”. You must see to it that such insurance, including any replacement or renewal thereof:
 - i. will be consistent with any terms and conditions described in the Schedule for a “controlled local policy”;
 - ii. is and remains valid, available and in full force and effect;
 - iii. will not be canceled, nonrenewed or rescinded without comparable replacement insurance; and
 - iv. will not be reduced or exhausted, except for the reduction or exhaustion by payment of judgments, settlements or related cost or expenses (if such costs or expenses reduce such limits).

You must immediately notify us if any “controlled local policy” is no longer valid or in full force and effect.

3. Failure to comply with this condition will not invalidate this insurance. However, in the case of any such failure, our obligation or liability will not exceed that which would have applied absent any failure to comply with this condition.

C. Inspections And Surveys

We shall be permitted, but not obligated, to inspect covered property at all reasonable times during the policy period. Any inspection by us shall relate only to the insurability and premium to be charged. Neither our right to make inspections nor the making thereof nor any report thereon shall constitute any undertaking by us, on behalf of or for the benefit of you or others, to determine or warrant that such covered property is safe or healthful or that such covered property complies with any law, rule, regulation, code, engineering or industry standard.

This condition applies not only to us, but also to any insurer of a “controlled local policy” and to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us or any insurer of a “controlled local policy”.

D. Other Insurance

This insurance is excess over any insurance, including any deductible or retention, that is available to an insured and that is not part of the “controlled insurance program” whether you can collect on such other insurance or not.

This condition does not apply to any insurance negotiated specifically to apply in excess of this insurance.

E. First Named Insured

All loss adjustment losses and any other payments under this insurance will, at our option, be coordinated and adjusted with and payable to the first Named Insured in a jurisdiction that is mutually acceptable without regard to the first Named Insured’s obligation to others, including any other insured. We will not be responsible for the proper application of any payment we make to the first Named Insured. If we make payment to any insured other than the first Named Insured, such payment will be treated as though made to the first Named Insured.

F. Currency

Amounts under this insurance are expressed and payable in United States of America currency. However, at our discretion, we may pay covered loss or damage in another currency. In the event we agree to pay covered loss or damage in another currency or for tracking of limits of insurance, deductible, retention or any other tracking purposes, conversion into or from such currency shall be computed at a free rate of exchange as soon as practicable following entry of the payment in our books and records. In no event will any conversion into or from another currency result in any increase in the Limits Of Insurance as expressed in United States of America currency.

G. Economic Or Trade Sanctions

This insurance does not apply to the extent that any economic or trade sanctions or other similar laws or regulations prohibit us from providing any insurance.

H. Cancellation Or Nonrenewal

Unless prevented by any applicable law or regulation, the insureds agree that any cancellation or nonrenewal of this policy will be deemed to result in simultaneous cancellation or nonrenewal, as applicable, of all “controlled local policies” that are part of the “controlled insurance program”.

VII. The following definitions are added:

- A. “Admitted insurance” means insurance provided by a person or organization licensed by law to do such insurance business in a given jurisdiction.
- B. “Compulsory admitted insurance” means “admitted insurance” required to be in force to satisfy the legal requirements of a given jurisdiction.

- C. “Controlled insurance program” means, collectively, this policy and all “controlled local policies”.
- D. “Coinsurance deficiency” means any penalty resulting from the application of a coinsurance or average clause that is part of any “controlled local policy” that applies to the loss or damage. If, after determination of the amount a Named Insured claims under such other “controlled local policy”, the Named Insured is unable to collect payment for the full loss or damage due to a coinsurance or average clause, the Difference In Conditions Coverage shall pay the difference between the amount recoverable under such other insurance and the total amount of the loss or damage. Coinsurance deficiency should not include any penalty resulting from any coinsurance or average clause where a Named Insured has deliberately underinsured.
- E. “Controlled local policy(ies)” means any “admitted insurance” that is issued by us, our affiliate or subsidiary or that we arrange through a third party network of local insurers as part of this “controlled insurance program”.
“Controlled local policy(ies)” does not include any policy that is issued by any third party insurer outside of our third party network of local insurers unless explicitly added by an endorsement to this policy.
- F. “Currency devaluation” means any official government devaluation of the currency in which the “controlled local policy” is written that results in a Named Insured’s inability to collect payment for the loss or damage in full under such “controlled local policy” due to such currency devaluation. In such an event, the Difference In Conditions Coverage shall pay the difference between the amount recoverable under the “controlled local policy” and the total amount of the loss or damage.
- G. “Non-admitted insurance” means any jurisdiction where we are not licensed or permitted by law to transact insurance, or are prevented by law or otherwise from investigating, settling or defending any claim or “suit”.



Authorized Representative

This endorsement does not change any other provision of the policy. The title and any headings in this endorsement are solely for convenience and do not affect its meaning.

ASBESTOS EXCLUSION ENDORSEMENT

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

This policy does not apply to any loss, demand, claim, occurrence, direct physical loss or damage, suit or expense arising out of or related in any way to asbestos or asbestos containing material or material that is alleged to have contained asbestos. We shall have no duty of any kind with respect to any such loss, demand, claim, occurrence, direct physical loss or damage, expense or suit. This exclusion applies to all coverages under this policy.

All other terms and conditions of this policy shall remain unchanged.

CLAIMS PAYMENT ENDORSEMENT

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

Any and all payments or reimbursements made under this Policy for losses, damages or expenses shall be made in the United States of America.

All other terms and conditions of this Policy shall remain unchanged.

COMMUNICABLE OR INFECTIOUS DISEASE EXCLUSION

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

This policy does not apply to any loss, demand, claim, occurrence, direct physical loss or damage, expense or suit arising out of or related in any way to communicable or infectious disease, condition or sickness, including but

not limited to:

1. Any causative agent of any such condition, disease, or sickness regardless of whether such agent gives rise to any such condition, disease, or sickness; or
2. Any actual or attempted testing for, containing, detoxifying, mitigating, monitoring or neutralizing of, responding to, or assessing the effects of any communicable or infectious disease, condition or sickness or causative agent.

All other terms and conditions of this policy shall remain unchanged.

EXCLUSION FOR CERTAIN COMPUTER RELATED LOSSES

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

This policy does not insure any loss, or damage caused by or resulting directly or indirectly by any of the following. **Such loss or damage is excluded regardless of any other cause or event that contributes directly, indirectly, concurrently, proximately, remotely, or in any sequence to the loss and includes but is not limited to**

- A. The alteration, manipulation or destruction of computer media and data, by the addition of a virus, destructive code or similar instruction, hacking or any other malicious or destructive programming or instructions that disrupts the normal operation of computer equipment or computer media and data or results in the loss of use or physical damage to computer equipment, including but not limited to microprocessors and networks, or computer media and data;
- B. Denial of service; by unauthorized direction of a high volume of messages or inquiries to a web site or e-mail destinations, effectively denying, interrupting or limiting legitimate access;
- C. Inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times;
- D. Transfer of property caused by, resulting from, or arising out of unauthorized instructions transmitted by a computer;
- E. Financial loss or any other loss or damage due to unauthorized viewing, copying or use of any data (including proprietary or confidential information) by any person, even if such activity is characterized as theft.
- F. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by the Insured or on the Insured's behalf to determine, rectify or test for any actual or potential problem described in paragraphs A through E above.

This exclusion applies regardless whether there is (a) any physical loss or damage to insured property; (b) any loss of use, occupancy or functionality; or (c) any action required, including but not limited to repair, replacement, restoration, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

All other terms and conditions of this policy shall remain unchanged.

LIMITED MOLD COVERAGE

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

The following is added to this policy:

If property damage resulting from fungus, mildew, mold, spores, mycotoxins, wet rot or dry rot is directly caused by an insured peril, then this policy will provide coverage for the fungus, mildew, mold, spores, mycotoxins, wet rot or dry rot loss, but not to exceed \$ 2,500,000 for all coverages in any one occurrence and in the aggregate.

This \$ 2,500,000 limit of liability is part of and does not increase that total limit of liability of this policy to which this endorsement is attached.

All other terms and conditions of this policy shall remain unchanged.

LOSS ADJUSTMENT ENDORSEMENT

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

It is agreed that Sompo America Insurance Company has the option of engaging a separate loss adjuster and/or loss adjustment facility in addition to any loss adjuster and/or loss adjustment facility so designated or named in this policy or any other policy of insurance that may be in force and applies to this insurance.

All other terms and conditions of this policy shall remain unchanged.

Notice of Loss

Notwithstanding any provision to the contrary within this insurance policy, any endorsement thereto, or any policy to which this policy may follow form, the insured shall as soon as practical report in writing, to:

GRS Property - Claims
1221 Avenue of the Americas
New York, NY 10020
E-Mail addressed to: insuranceclaims@sompo-intl.com

every loss, damage or occurrence which may give rise to a claim under this policy and also file with the Company within ninety (90) days from the date of such loss, damage or occurrence, a detailed sworn proof of loss.

NUCLEAR, BIOLOGICAL, CHEMICAL OR RADIOLOGICAL EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This policy does not apply to any loss, demand, claim, occurrence, damage, suit or expense directly or indirectly arising out of or related in any way to:

1. The unlawful possession, use, release, discharge, dispersal or disposal of any chemical, bacteriological, viral, radioactive or similar agents or material regardless of who is responsible for the act, and regardless of any other cause, material or event contributing concurrently or in any other sequence thereto; or
2. The unlawful possession, use, release, discharge, detonation, dispersal or disposal of any device or material capable of producing a nuclear reaction or the spread of radioactivity, regardless of who is responsible for the act, and regardless of any other cause, material or event contributing concurrently or in any other sequence thereto.

All other terms and conditions of this policy shall remain unchanged.

NUCLEAR EXCLUSION ENDORSEMENT

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

This Company shall not be liable for loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled, uncontrolled or naturally occurring, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part, concurrently caused by, contributed to, or aggravated by the peril(s) insured against in this policy.

All other terms and conditions of this policy shall remain unchanged.

POLLUTION CLEAN UP ENDORSEMENT

THIS ENDORSEMENT CHANGES THIS POLICY, PLEASE READ IT CAREFULLY.

In consideration of the premium charged, it is hereby agreed that this policy will provide a maximum payment of \$ 1,000,000 per Occurrence and no more than \$ 1,000,000 for all Occurrences during this policy term relating to the remediation of pollution, and only to the extent such remediation results from direct physical loss or damage to property or interests insured by this policy and caused by an insured peril.

This \$ 1,000,000 sub limit referenced above is included within, and not in addition to, the total policy limit to which this endorsement is attached, and does not increase the total limits of liability afforded by this policy.

This extension shall not apply to any asbestos, asbestos-related dust, asbestos containing material, lead, lead-related dust, lead containing material, silica, silica-related dust, or any product containing silica, or silica-related dust.

All other terms and conditions of this policy shall remain unchanged.

WAR AND TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

**129
ENDORSEMENT****Named Insured:** WeWork inc.

Policy Number: FTMS1037L0

Endorsement

Endorsement

Effective Date: November 01, 2020

Number: N/A

12:01 AM Standard Time at the address of the
Named Insured as shown in the Declarations.**DISCLOSURE PURSUANT TO THE TERRORISM RISK INSURANCE ACT**

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO
THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS
ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND
CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

It is agreed that:

SCHEDULE: Terrorism Premium (Certified Acts): \$ 5,000**A. Disclosure of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium (shown in the Schedule above), if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act as amended and reauthorized. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% in 2015 and decreases its share 1% each calendar year to a total of 80% in 2020 of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

ENDORSEMENT



Authorized Representative

This endorsement does not change any other provision of the Policy. The title and any headings in this endorsement are solely for convenience and do not affect its meaning.

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**129
ENDORSEMENT****Named Insured:** WeWork Inc.

Policy Number: FTMS1037L0

Endorsement

Endorsement

Effective Date: November 01, 2020

Number: N/A

12:01 AM Standard Time at the address of the
Named Insured as shown in the Declarations.**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

It is agreed that:

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and the Insurer has met its deductible under the Terrorism Risk Insurance Act, the Insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Authorized Representative

This endorsement does not change any other provision of the Policy. The title and any headings in this endorsement are solely for convenience and do not affect its meaning.

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Date of Issuance: March 16, 2021

Sompo America Insurance Company

Page 1 of 1

Policy Form: Manuscript Form
Endorsement Form: IL 1204 0115

LIMITED SPECIAL PERILS EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following exclusions apply as set forth below:

- A. We will not pay for any loss, demand, claim, occurrence, direct physical loss or damage, expense or suit arising out of, related in any way to or involving:
 - 1. Communicable or infectious disease, condition or sickness, including but not limited to any causative agent of any such disease, condition or sickness, regardless of whether such agent gives rise to any such disease, condition or sickness;
 - 2. Injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food and drink provided on the insured location, or the threat thereof;
 - 3. Loss of satellite transmission signals;
 - 4. Interference in the use of or closure of any airport, transit hub, or any port facility due to an investigation or similar activity by the Federal Aviation Administration, Civil Aeronautics Board, National Transportation Safety Board, or equivalent agency having jurisdiction;
 - 5. The infestation of any vermin, pests or insects at the insured location, unless direct physical loss or damage not otherwise excluded by this policy ensues, in which event, we shall cover only such ensuing loss or damage;
 - 6. Defective sanitation, which does not include any discharge from sewer, drain or sump; and
 - 7. Any algal blooms, including but not limited to red tides.
- B. We will not pay for business income, lost profits, extra expense or any other time element coverage arising out of, related in any way to or involving the following, unless there is direct physical loss or damage at the insured location that is not otherwise excluded:
 - 1. Closing of the whole or part of the insured location by order of a competent public authority consequent upon the existence or threat of hazardous substances, either actual or suspected, at the insured location; and
 - 2. Riot or civil commotion at the insured location.
- C. We will not pay for business income, lost profits, extra expense or any other time element coverage arising out of, related in any way to or involving:
 - 1. Murder, attempted murder, suicide, attempted suicide, robbery or attempted robbery or any other violent crime occurring at the insured location, all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, we shall cover only such ensuing loss or damage; and
 - 2. Pollution or contamination by oil, chemical or other substance of any beach, waterway or river or other body of water at the insured location.

All other terms and conditions of this policy shall remain unchanged.

Named Insured: WeWork Inc.
Endorsement
Effective Date: 11/01/2020
12:01 AM Standard Time at the address of the Named
Insured as shown in the Declarations.

Policy Number: FTMS1037L0
Endorsement
Number: N/A

INTEGRATED PROPERTY DEDUCTIBLE

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE

Integrated Deductible:	\$ 4,000,000 per occurrence
Aggregate Deductible:	\$ 4,000,000
Aggregate Deductible Adjustable (If this section is completed, then the Aggregate Deductible is adjustable as indicated in this Schedule):	As per the Payment and Security Agreement
Minimum Aggregate Deductible:	\$ 4,000,000
Basket Aggregate or Aggregate Stop Loss:	As per the Payment and Security Agreement
Minimum Premium:	\$ 3,574,957 (Includes any premiums for controlled local policies)

The following is added to this policy:

- A. In each case of loss or damage covered by this policy, we shall not be liable unless you sustain covered loss or damage in a single **occurrence** greater than any **policy level deductible** and the Integrated Deductible shown in the Schedule and then only for the amount in excess of such deductible(s). Notwithstanding any provision to the contrary, the Integrated Deductible shown in the Schedule:
1. Is in excess of any **policy level deductible**;
 2. Applies on an **occurrence** basis; and
 3. Applies separately from and in addition to any **policy level deductible**.

Subject to any Aggregate Deductible or Basket Aggregate or Aggregate Stop Loss shown in the Schedule, as applicable, the Integrated Deductible shown in the Schedule is the most that you will have to pay, or be responsible, for covered loss or damage within your Integrated Deductible

for each **occurrence**. At our discretion, we may reduce the amount of covered loss or damage by the Integrated Deductible amount, or pay any part or all of the Integrated Deductible, to effect settlement of any claims or suit. You agree to reimburse us on a timely basis as invoiced. The first Named Insured shown in the Declarations is primarily liable for the Integrated Deductible, but each Named Insured is jointly and severally liable for any and all Integrated Deductible obligations under this endorsement.

The Integrated Deductible only applies with respect to our percentage share(s) after application of any **policy level deductible**. You agree to remain wholly and solely liable for, and not insure elsewhere, your Integrated Deductible obligations. Your Integrated Deductible cannot be satisfied by the payment of any other insurance or bond, including any deductible or self-insured retention, that may also apply to our obligation to pay damages, loss, costs or expenses.

- B. Aggregate Deductible: Subject to any Basket Aggregate or Aggregate Stop Loss shown in the Schedule, the amount, if any, shown in the Schedule as the Aggregate Deductible is the most that you must reimburse us for the sum of all amounts within your Integrated Deductible for each policy period, subject to the Minimum Aggregate Deductible shown in the Schedule, if any. If the Aggregate Deductible Adjustable section shown in the Schedule is completed, then the Aggregate Deductible is an estimated amount and is subject to audit by us. In such case the amount of the actual Aggregate Deductible will be determined at the end of the policy period as indicated in the Schedule by using the actual amount of exposure and shall not be less than the Minimum Aggregate Deductible shown in the Schedule, if any. In the event there is both a Basket Aggregate or Aggregate Stop Loss and an Aggregate Deductible, if:
1. the Basket Aggregate or Aggregate Stop Loss is eroded, then there will be no further Integrated Deductible obligations owed under this endorsement; and
 2. the Aggregate Deductible shown in the Schedule is eroded but not the Basket Aggregate or Aggregate Stop Loss, then there will be no further Integrated Deductible obligations owed under this endorsement, but the terms and conditions of the Basket Aggregate or Aggregate Stop Loss will continue to apply for any other lines of insurance, as applicable.
- C. Minimum Premium: The minimum premium for the full policy period is the Minimum Premium shown in the Schedule. If the policy is rated on an adjustable basis, it is subject to a premium audit at the end of the policy period, or as otherwise mutually agreed, to determine the actual earned premium. The actual earned premium shall not be less than the Minimum Premium shown in the Schedule.
- D. Under the Definitions section, the following definitions are added:

Occurrence shall be defined consistent with the definition in the Definitions section of this policy. In the event the policy does not define **occurrence**, then **occurrence** means any one accident, loss, disaster, casualty, incident or series of accidents, losses, disasters, casualties or incidents, including all resultant or concomitant insured losses, not otherwise excluded by this Policy and with respect to:

1. Terrorism (to the extent terrorism is covered), arises out of the same or related purpose or cause or is in close in geography; or

2. Covered perils other than terrorism, arises out of a single event or originating cause

The **occurrence** must occur during the policy period.

When the term applies to loss or losses from the perils of windstorm or hail, named storm, riot, strike or civil commotion, vandalism and malicious mischief, earth movement, flood or terrorism, to the extent any such peril(s) are covered, all losses arising from such peril(s) occurring during a continuous period of 72 hours shall be deemed to be a single **occurrence**. You may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the time when the first loss occurs to the covered property, but no two such 72 hour periods shall overlap.

If the **occurrence** commences during this policy period, then we shall treat the entire **occurrence** as occurring during this policy period.

Policy level deductible means any deductible or waiting period applicable to property damage, time element, specified perils or any other covered loss or damage that is shown in the policy, including the Declarations or any endorsement attached to and made part of this policy (other than this endorsement).

All other terms and conditions of this Policy shall remain unchanged.



Authorized Representative

This endorsement does not change any other provision of the Policy. The title and any headings in this endorsement are solely for convenience and do not affect its meaning.



**SOMPO
INTERNATIONAL**

**Sompo America Insurance Company
1221 Avenue of the Americas, 18th Floor
New York, NY 10020**

IN WITNESS WHEREOF, the Insurer has caused this Policy to be signed by its President and Senior Vice President and countersigned where required by law on the Declarations page by its duly authorized representative.

A handwritten signature in black ink that reads "Richard M. Appel".

Senior Vice President

A handwritten signature in black ink that reads "Christopher Spans".

President